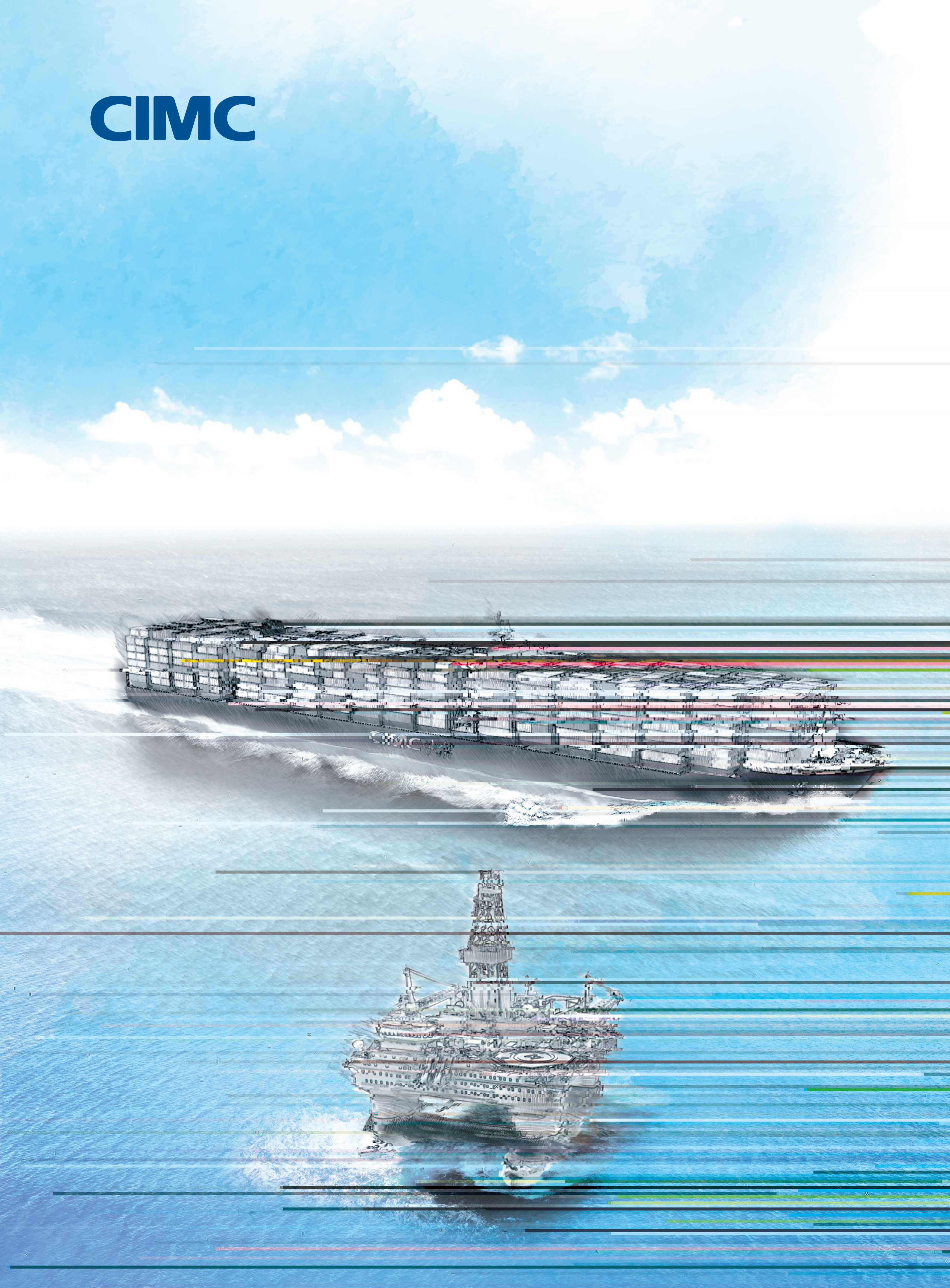
CIMC



IMPORTANT NOTICE

[illegible] 2017 [illegible] Report [illegible]

[illegible] 11 [illegible] 2017 [illegible] Meeting [illegible]. All [illegible]

[illegible] (CASBE). [illegible] 2017 Interim Financial Report [illegible] 30 [illegible] 2017 [illegible] CASBE [illegible]

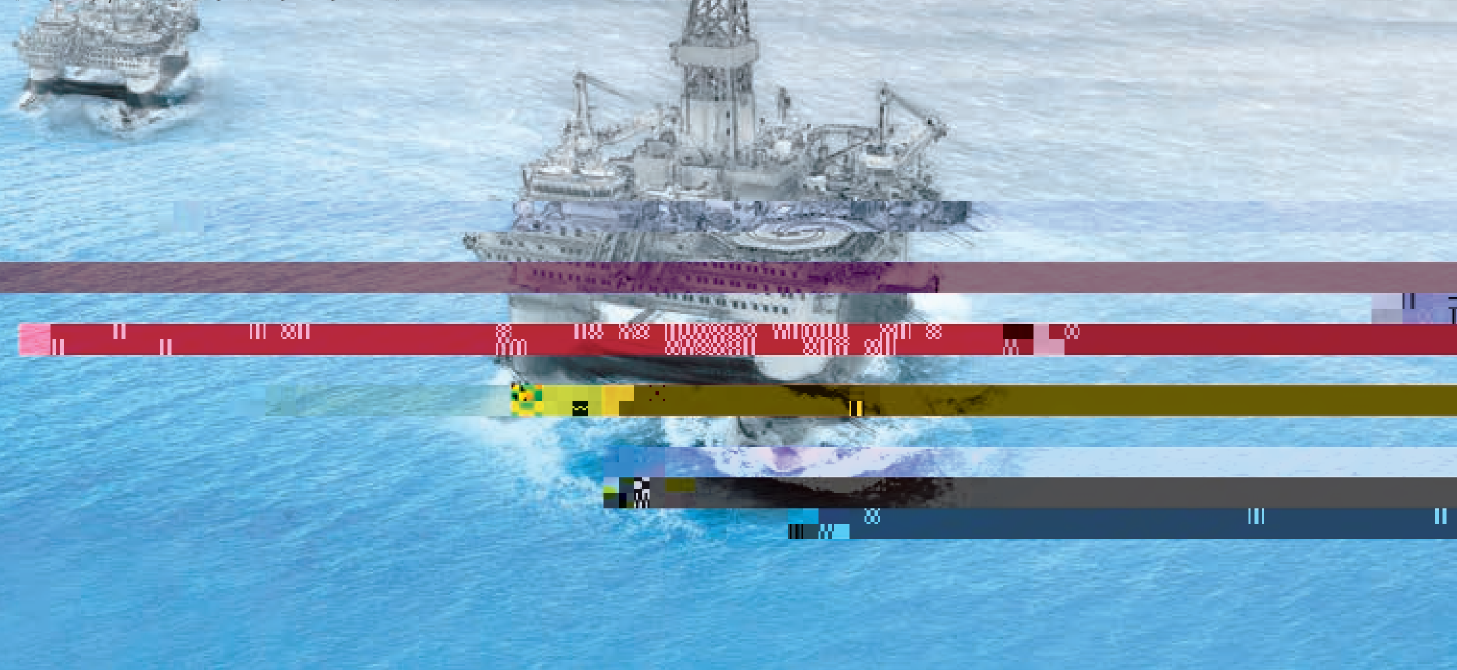
[illegible] CEO [illegible] 2017 [illegible]

[illegible]

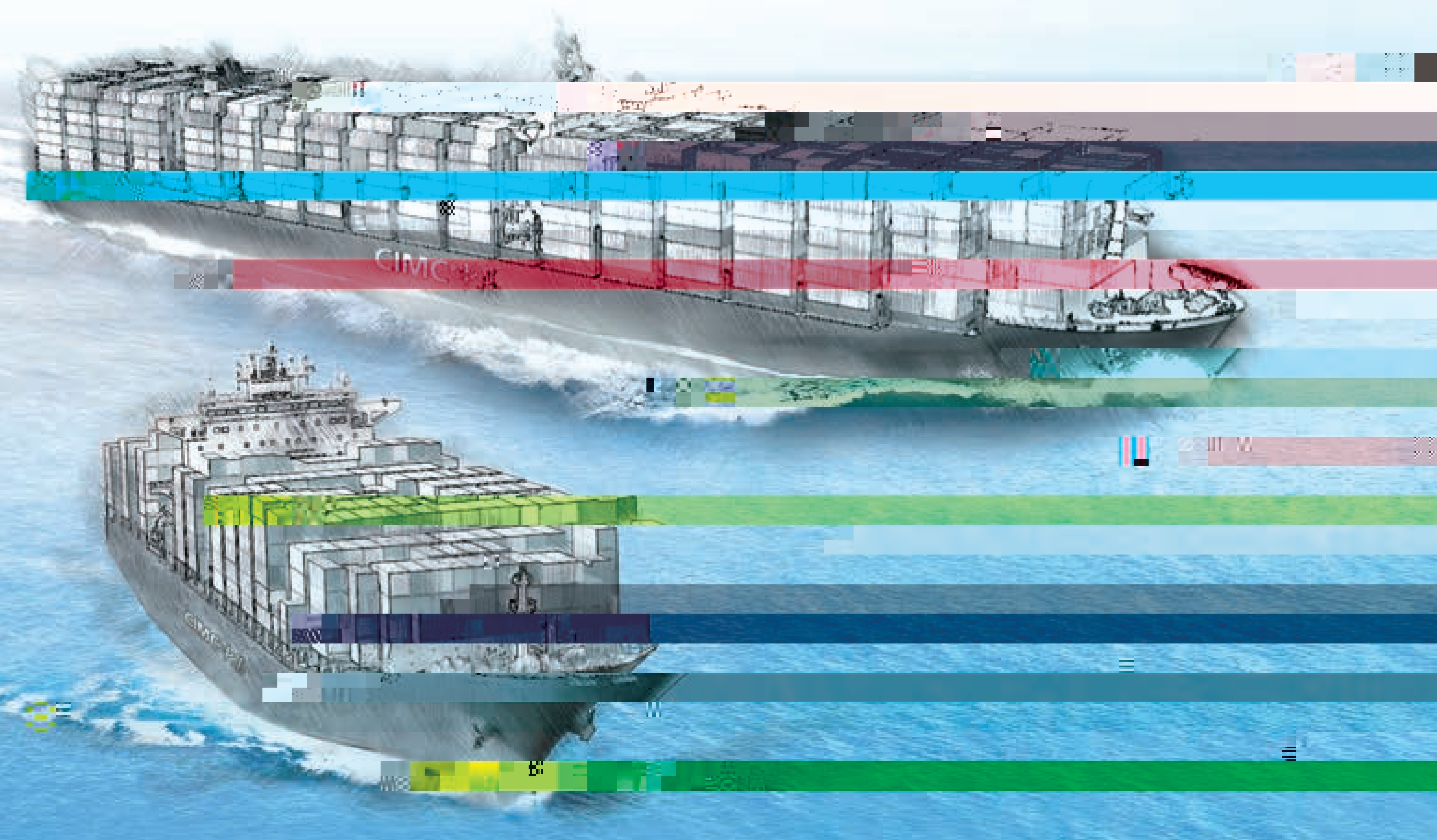
[illegible] 30 [illegible] 2017 [illegible] 30 [illegible] 2016: [illegible]

[illegible]

[illegible] English [illegible] Chinese [illegible]



CONTENTS



Definitions

For the purpose of this report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Items	Definitions
A Share(s) (or RMB-denominated Ordinary Share(s))	domestic share(s) issued by the Company with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in Renminbi.
A Share(s) Share Option Incentive Scheme	share option incentive scheme of China International Marine Containers (Group) Co., Ltd. approved at the general meeting of the Company on 17 September 2010.
Articles of Association	The Articles of Association of China International Marine Containers (Group) Co., Ltd..
Board	the Board of the Company.
C&C Trucks	C&C Trucks Co., Ltd. (集瑞聯合重工有限公司), a company incorporated in the PRC with limited liability on 12 March 2009 and a non-wholly-owned subsidiary of the Company.
CASBE	Accounting Standards for Business Enterprises, Basic Standard and 38 specific standards of Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China on 15 February 2006, and the application guidance, interpretation and other relevant regulations issued subsequently.
CFSE	China Fire Safety Enterprise Group Limited, a company listed on the Hong Kong Stock Exchange (stock code: 445) and a subsidiary of the Company.
China COSCO Shipping	China COSCO Shipping Corporation Limited, a company incorporated in the PRC with limited liability in February 2016 and the ultimate controlling shareholder of a substantial shareholder of the Company.
China Merchants Group	China Merchants Group Limited, a company incorporated in the PRC with limited liability on 14 October 1986 and the ultimate controlling shareholder of a substantial shareholder of the Company.
CIMC or Company	China International Marine Containers (Group) Co., Ltd. (中國國際海運集裝箱(集團)股份有限公司), a joint stock company incorporated in the PRC with limited liability, the A Shares of which are listed on the Shenzhen Stock Exchange and the H Shares of which are listed on the Hong Kong Stock Exchange.
CIMC Enric	CIMC Enric Holdings Limited (中集安瑞科控股有限公司), a company incorporated in the Cayman Islands with limited liability on 28 September 2004 and listed on the main board of the Hong Kong Stock Exchange (stock code: 3899) and a non-wholly-owned subsidiary of the Company.
CIMC Finance Company	CIMC Finance Co., Ltd., a company incorporated in the PRC with limited liability on 9 February 2010 and a wholly-owned subsidiary of the Company.

CIMC F n n l ng C n	CIMC F n n l ng C ., L ., n n n PRC h l l b l n 30 J l 2007 n h ll - C n .
CIMC H ng K ng	Ch n l n n l M C n (H ng K ng) L (中國國際海運集裝箱(香港)有限公司), n n n H ng K ng h l l b l n 30 J l 1992 n h ll - C n .
CIMC M l l T	CIMC M l l T D l n C ., L . (中集多式聯運發展有限公司), n n n PRC h l l b l n 29 M h 2016 n n n- h ll - C n .
CIMC O h Eng ng	CIMC O h Eng ng C ., L ., n n n PRC h l l b l n 21 J l 2016 n h ll - C n .
CIMC R	CIMC R O h (S ng) L , n n n S ng h l l b l n 7 M h 1994 n h ll - C n .
CIMC S R l E	S n n CIMC S R l E D l n C ., L ., n n n PRC h l l b l n 24 N 1998 n n n- h ll - C n .
CIMC T n	S n n CIMC-T n A S C ., L . (深圳中集天達空港設備有限公司), n n n PRC h l l b l n 18 J l 1992 n n n- h ll - C n .
CIMC (G)	CIMC (G) C ., L . (中集車輛(集團)有限公司), n n n PRC h l l b l n 29 A g 1996 n n n- h ll - C n .
C G n C	C G n C n n A n 14 H ng K ng L ng R .
CSRC	Ch n R g l C n.
D ( )	( ) C n .
G , , n	C n n .
H Sh ( ) (O - F gn Sh ( ))	- gn n Sh ( ) b C n h n n l RMB1.00 h, h l n H ng K ng S h ng n n H ng K ng ll .
H ng K ng	H ng K ng S l A n R g n PRC.
H ng K ng L ng R	R G n ng L ng n S h ng H ng K ng L .

04

Definitions

Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited.
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Hong Kong Listing Rules.
PRC or China	the People's Republic of China.
PR7(223P.824U)7ng S ng R23PR ll Exchange	

[illegible]

Items	Definitions
CNG	Compressed Natural Gas.
FLNG	Floating Liquefied Natural Gas.
FPSO	Floating Production Storage and Offloading.
FSRU	Floating Storage and Regasification Unit.
HSE	Health, Safety and Environment.
GSE	[illegible]
Jack-up Drilling Platform	[illegible] 250 [illegible] 400 [illegible]
LNG	Liquefied Natural Gas.
LPG	Liquefied Petroleum Gas.
M[illegible] B[illegible]ng	[illegible]
ONE M[illegible]l	[illegible]
QHSE	[illegible] Quality, Health, Safety and Environmental [illegible].
Semi-submersible Drilling Platform	[illegible] 600-3,600m. [illegible]
TEU	[illegible] 20 [illegible] 8 [illegible] 6 [illegible] 8 [illegible]
VOCs	[illegible] 2.824 [illegible] 5 [illegible]

Chapter I Corporate Profile

I. COMPANY PROFILE

Legal Chinese Name:	中國國際海運集裝箱(集團)股份有限公司
Abbreviated Chinese Name:	中集集團
English Name:	China International Marine Containers (Group) Co., Ltd.
Abbreviated English Name:	CIMC
Legal Representative:	Wang Hong
Authorised Representatives:	Mai Boliang, Yu Yuqun
Registered Address and Address of Head Office:	8th Floor, CIMC R&D Center, 2 Gangwan Avenue, Shekou, Nanshan District, Shenzhen, Guangdong, PRC
Postal Code:	518067
Company Website:	http://www.cimc.com
Email Address:	shareholder@cimc.com
Principal Place of Business in Hong Kong:	3101-2 Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong
Unified Social Credit Code:	91440300618869509J

II. CONTACT PERSONS AND MEANS OF COMMUNICATION

Secretary to the Board, Company Secretary:	Yu Yuqun
Assistant Company Secretary:	Shen Yang
Contact Address:	CIMC R&D Center, 2 Gangwan Avenue, Shekou, Nanshan District, Shenzhen, Guangdong, PRC (Postal Code: 518067)
Contact Telephone:	(86) 755-2669 1130
Facsimile:	(86) 755-2682 6579
Email Address:	shareholder@cimc.com
Representative of Securities Affairs:	Wang Xinjiu
Contact Address:	CIMC R&D Center, 2 Gangwan Avenue, Shekou, Nanshan District, Shenzhen, Guangdong, PRC (Postal Code: 518067)
Contact Telephone:	(86) 755-2680 2706
Facsimile:	(86) 755-2681 3950
Email Address:	shareholder@cimc.com

III. INFORMATION DISCLOSURE AND LOCATIONS FOR DOCUMENTS FOR INSPECTION

Designated Newspapers for Information Disclosure:	A Shares: China Securities Journal, Securities Times and Shanghai Securities News
Authorized Websites for Publishing the Annual Report:	A Shares: http://www.cninfo.com.cn H Shares: http://www.hkexnews.hk
Company Website:	www.cimc.com
Place for Keeping the Annual Report:	Office of the Board, CIMC, 9th Floor, CIMC R&D Center, 2 Gangwan Avenue, Shekou, Nanshan District, Shenzhen, Guangdong, PRC (Postal code: 518067)

IV. STOCK INFORMATION OF THE COMPANY

Stock Exchange on which A Shares are Listed:	Shenzhen Stock Exchange
Abbreviated Stock Name of A Shares:	CIMC
Stock Code:	000039
Stock Exchange on which H Shares are Listed:	Hong Kong Stock Exchange
Abbreviated Stock Name of H Shares:	CIMC, ZJHD (Note)
Stock Code:	2039, 299901 (Note)

Note: Both the abbreviated stock name and stock code are only for original B Shareholders of the Company in the PRC for trading the H Shares of the Company after the H Shares of the Company were listed on the Hong Kong Stock Exchange.

Whether the registered address, office address and its postal code, website and email address of the Company has changed during the reporting period

□ Applicable √ Not applicable

Whether the information disclosure and place for keeping the annual report has changed during the reporting period

□ Applicable √ Not applicable

Whether the registration has changed during the reporting period

□ Applicable √ Not applicable

Whether the company name has changed during the reporting period

□ Applicable √ Not applicable

Chapter II Summary of Accounting Data and Financial Indicators

I. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

[illegible]

[illegible]

Un[illegible]: RMB [illegible]

Consolidated income statement items	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
[illegible]	**33,387,152**	23,542,843	41.81%
[illegible]	**1,524,203**	(318,988)	577.82%
[illegible]	**1,576,142**	(165,844)	1,050.38%
[illegible]	**509,633**	375,316	35.79%
[illegible]	**1,066,509**	(541,160)	297.08%
[illegible]			
[illegible]	**796,898**	(378,034)	310.80%
[illegible]	**269,611**	(163,126)	265.28%
[illegible]	**865,083**	(502,200)	272.26%

Un[illegible]: RMB [illegible]

Consolidated balance sheet items	As at the end of the Reporting Period (30 June 2017) (unaudited)	As at the end of previous year (31 December 2016) (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
[illegible]	**57,457,050**	53,352,031	7.69%
[illegible]	**72,041,804**	71,262,717	1.09%
[illegible]	**129,498,854**	124,614,748	3.92%
[illegible]	**53,634,687**	46,249,215	15.97%
[illegible]	**35,992,284**	39,230,741	(8.25%)
[illegible]	**89,626,971**	85,479,956	4.85%
[illegible]	**39,871,883**	39,134,792	1.88%
[illegible]			
[illegible]	**29,822,813**	29,285,970	1.83%
[illegible]	**10,049,070**	9,848,822	2.03%
[illegible]	**2,980,352,786**	2,978,576,986	0.06%

Un[illegible]: RMB [illegible]

Consolidated cash flow statement items	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
[illegible]	**(668,216)**	933,732	(171.56%)
[illegible]	**(1,507,729)**	(5,376,277)	71.96%
[illegible]	**1,875,660**	5,570,910	(66.33%)

	As at the end of the Reporting Period 30 June 2017 (unaudited)	As at the end of previous year 31 December 2016 (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
[illegible]	**5,940,423**	6,338,667	(6.28%)

Key Financial Indicators

	The Reporting Period (January – June 2017) (unaudited)	The same period of the previous year (January – June 2016) (unaudited)	Changes from the same period of the previous year to the Reporting Period (%)
[illegible] (RMB/[illegible])	**0.2554**	(0.1444)	276.87%
[illegible] (RMB/[illegible])	**0.2544**	(0.1444)	276.18%
[illegible] (%)	**2.76%**	(1.64%)	4.40%
[illegible] (%)	**3.00%**	(2.11%)	5.11%
[illegible] (RMB/[illegible])	**(0.22)**	0.31	(170.97%)

	As at the end of the Reporting Period (30 June 2017) (unaudited)	As at the end of previous year (31 December 2016) (audited)	Changes from the end of previous year to the end of the Reporting Period (%)
[illegible] (RMB/[illegible])	**10.01**	9.83	1.83%
[illegible] (%) ([illegible])	**69.21%**	68.60%	0.61%

[illegible]

Chapter II Summary of Accounting Data and Financial Indicators

II. DIFFERENCES IN ACCOUNTING DATA UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

1. Differences in net profits and net assets prepared under International Accounting Standards and CASBE

□ Applicable √ Not applicable

There is no difference in net profits and net assets disclosed in the financial report prepared under International Accounting Standards and CASBE during the Reporting Period.

2. Differences in net profits and net assets prepared under foreign accounting standards and CASBE

□ Applicable √ Not applicable

There is no difference in net profits and net assets disclosed in the financial report prepared under foreign accounting standards and CASBE during the Reporting Period.

3. Reason for differences in accounting data under domestic and foreign accounting standards

□ Applicable √ Not applicable

III. NON-RECURRING PROFIT OR LOSS ITEMS AND AMOUNT

√ Applicable □ Not applicable

Unit: RMB thousand

	Amount (January – June 2017)

Chapter III Report of the Board

I. BUSINESS SUMMARY

Chapter III Report of the Board

D [illegible] ng [illegible] 535,700 TEU [illegible] n 2016: 238,300 TEU [illegible] 124.80%; [illegible] 35,100 TEU [illegible] 2016: 22,300 TEU [illegible] 57.40%. [illegible] RMB10,049.055 [illegible] 2016: RMB4,898.618 [illegible] 105.14%; [illegible] RMB681.102 [illegible] 2016 [illegible] RMB139.632 [illegible]

In [illegible] 2017, [illegible] Ch n [illegible] 1 A [illegible] l 2017, [illegible] HSE [illegible] D [illegible] ngg [illegible] C [illegible] Ph [illegible]

Road Transportation Vehicle Business

W [illegible] (全球運營，地方智慧) [illegible] CIMC [illegible] (G [illegible]), [illegible] CIMC [illegible] (G [illegible]) [illegible] 25 [illegible] Ch n [illegible] N [illegible] n A [illegible], E [illegible] 10 [illegible] 1,000 [illegible] 2.7([illegible])0.5( )6El [illegible]

[illegible]

[illegible]

Chapter III Report of the Board

[illegible] CIMC Enric [illegible] (1) [illegible] (2) [illegible] (3) [illegible]

[illegible] 2016 [illegible] 2016 Annual Report [illegible] 1 July 2016, CIMC Enric [illegible] SOE [illegible] SOEG PTE LTD [illegible]

[illegible] CIMC Enric [illegible] RMB1,214.880 million [illegible] SOE [illegible] 2016 [illegible] RMB1,362.915 million [illegible] 2016 [illegible]

[illegible] SOE [illegible] CIMC Enric [illegible] 5 July 2017, CIMC Enric [illegible] (南通太平洋破產清算組) [illegible] 4 August 2017 [illegible] SOE [illegible] 15 August 2017 [illegible] 南通中集太平洋海洋工程有限公司 (Nantong CIMC Sinopacific Offshore & Engineering Co., Ltd.*) [illegible] 16 August 2017 [illegible] RMB190.521 million [illegible] 30 June 2017 [illegible] RMB105.549 million [illegible] 2017 [illegible]

Offshore Engineering Business

CIMC R[illegible] ... [illegible] ... OSV, [illegible] ...

In [illegible] 2017, [illegible] ...

H[illegible] ... RMB1,214.509 [illegible] (... 2016: RMB3,703.689 [illegible]), [illegible] 67.21%, [illegible] RMB550.421 [illegible] (... 2016: [illegible] RMB3.988 [illegible]).

In [illegible], CIMC R[illegible] ... I. D[illegible] ... CIMC R[illegible] ...

Chapter III Report of the Board

[illegible]

[illegible]

[illegible]

[illegible]

Heavy Truck Business

[illegible]

[illegible]

[illegible]

[illegible]

In [illegible] 2017, [illegible] Chin[illegible] [illegible]

D[illegible] [illegible] RMB297.664 million ([illegible] 2016: RMB315.698 million), [illegible] 5.71%, [illegible] RMB65.035 million ([illegible] 2016: RMB42.775 million), [illegible] 52.04%, [illegible]

In [illegible] 2017, CIMC [illegible] In M[illegible] 2017, [illegible] B[illegible]jing [illegible] Sh[illegible]g[illegible] C[illegible] Z[illegible] B[illegible]jing. In A[illegible], CIMC E[illegible] A[illegible] S[illegible]ng Sh[illegible] L[illegible],

D[illegible] [illegible] CIMC E[illegible]

Chapter III Report of the Board

[illegible]

[illegible]

Other Businesses

[illegible]

In [illegible] 2017, [illegible] G [illegible]
[illegible] ng [illegible]
[illegible] ng [illegible] U.K. [illegible] A [illegible]
[illegible]
[illegible] A [illegible] N [illegible] E [illegible]
[illegible]. In [illegible]
[illegible] B [illegible] R [illegible],
[illegible] X [illegible] ng' [illegible] N [illegible] C [illegible] (A [illegible] ,)37( )T0 0.026 T 0 -1.4([illegible] (b [illegible] TD [illegible]

Chapter III Report of the Board

In respect of the road transportation vehicle business, [illegible] 2017, [illegible]

In respect of the airport facilities equipment business, [illegible] 2017, [illegible]

In respect of the real estate development business, [illegible] 2017, [illegible] CIMC [illegible]

In respect of the financial business, [illegible] 2017, [illegible]

3. Overall Operation Targets and Initiatives for Main Business Segments

[illegible] 2017, [illegible]

In respect of the container manufacturing business, [illegible] 2017, [illegible] HSE [illegible]

Chapter III Report of the Board

In respect of the road transportation vehicle business, [illegible]

In respect of the energy, chemical and liquid food equipment business, [illegible]

In respect of the offshore engineering business, [illegible]

In respect of the logistics services business, [illegible]

In respect of the heavy truck business, [illegible] 2017, C&C [illegible] C&C [illegible]

In respect of the airport facilities equipment business, [illegible] 2017, [illegible]

In respect of the real estate development business, [illegible] 2017, [illegible]

In respect of the financial business, [illegible] 2017, CIMC [illegible] CIMC [illegible]

4. Main Risk Factors for Future Development of the Group

Risk of economic periodic fluctuations and trade protection: [illegible] U.S. [illegible]

Chapter III Report of the Board

Risk of industry policy upgrade: [illegible]

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

I. BUSINESS OVERVIEW

(I) Principal Business Engaged by the Company during the Reporting Period

[illegible]

(II) Significant Changes in the Major Assets during the Reporting Period

1. Significant Changes in the Major Assets

[illegible]

2. Main Overseas Assets

□ [illegible]

(III) Analysis of Core Competitive Advantages

Strategic Positioning of "Manufacture + Service + Finance"

[illegible]

II. OPERATION DISCUSSION AND ANALYSIS

(I) Overview

[illegible]

(II) Analysis of Principal Businesses

1. Year-on-year Changes exceeding 30% in Key Financial Data

Un[illegible]: RMB [illegible]

	As at the end of the Reporting Period (30 June 2017) (unaudited)	[illegible] (31 [illegible] 2016) ([illegible])	Ch[illegible]ng[illegible] (%)	[illegible]
D[illegible]	**253,412**	16,746	1,413.27%	[illegible]
O[illegible]	**2,612,280**	1,687,762	54.78%	[illegible]

	The Reporting Period (January to June 2017) (unaudited)	S[illegible] 2016 (J[illegible] 2016) ([illegible])	Ch[illegible]ng[illegible] (%)	[illegible]
F[illegible]	**594,251**	304,944	94.87%	[illegible]
A[illegible]	**234,437**	1,267,501	(81.50%)	[illegible] SOE [illegible] CIMC En[illegible]
(L[illegible]) / [illegible]	**(32,626)**	137,104	(123.80%)	[illegible]
[illegible]	**(10,628)**	(87,328)	87.83%	[illegible]

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

	The Reporting Period (January to June 2017) (unaudited)	S [illegible] 2016 (J [illegible] 2016) ([illegible])	Ch [illegible] (%)	[illegible]
[illegible]	**21,903**	241,771	(90.94%)	[illegible]
[illegible]	**142,020**	791,687	(82.06%)	[illegible]
[illegible]	**5,000**	764,577	(99.35%)	[illegible]
[illegible]	**33,776**	1,542,157	(97.81%)	[illegible] CIMC [illegible] (G [illegible]) [illegible] CIMC [illegible]

[illegible]

☐ A [illegible] N [illegible]

[illegible]

2. Composition of Principal Businesses during the Reporting Period

Unit: RMB thousand

	Revenue (unaudited)	Cost of sales (unaudited)	Gross profit margin (unaudited)	Changes in revenue from the same period of previous year	Changes in cost of sales from the same period of previous year	Changes in gross profit margin from the same period of previous year
By industry/product						
Containers	10,049,055	8,254,228	17.86%	105.14%	96.75%	3.50%
Road transportation vehicles	9,719,601	7,952,957	18.18%	38.59%	39.75%	(0.68%)
Energy, chemical and liquid food equipment	5,060,511	4,191,438	17.17%	16.65%	18.76%	(1.47%)
Offshore engineering	1,214,509	1,347,363	(10.94%)	(67.21%)	(59.41%)	(21.32%)
Airport facilities equipment	1,180,919	954,996	19.13%	4.65%	5.78%	(0.86%)
Logistics services	3,751,202	3,371,872	10.11%	16.55%	19.29%	(2.07%)
Finance and lease business	1,148,040	498,703	56.56%	3.02%	36.13%	(10.57%)
Real estate	297,664	162,201	45.51%	(5.71%)	3.57%	(4.88%)
Heavy trucks	1,283,201	1,206,432	5.98%	49.15%	44.01%	3.35%
Others	1,394,177	1,170,585	16.04%	368.91%	429.55%	(9.61%)
Combined offset	(1,711,727)	(1,869,211)	–	(48.84%)	(35.97%)	–
Total	33,387,152	27,241,564	18.41%	41.81%	42.43%	(0.35%)
By region (by receiver)						
China	14,794,349	–	–	74.98%	–	–
Asia (excluding Mainland China)	3,384,378	–	–	84.09%	–	–
America	6,645,230	–	–	89.69%	–	–
Europe	7,341,001	–	–	(11.38%)	–	–
Others	1,222,194	–	–	(16.47%)	–	–
Total	33,387,152	–	–	41.81%	–	–

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

(III) Analysis of Non-Principal Businesses

[illegible] □ [illegible]

Un[illegible]: RMB [illegible]

Item	Amount	Proportion in total profit	Explanation on the formation	Sustainable or not
[illegible]	(10,628)	(0.67%)	[illegible]	[illegible]
[illegible]	(32,626)	(2.07%)	[illegible]	[illegible]
[illegible]	234,437	14.87%	[illegible] CIMC [illegible] SOE [illegible]	[illegible]
[illegible]	84,343	5.35%	[illegible]	[illegible]
[illegible]	32,404	2.06%	[illegible]	[illegible]

(IV) Assets and Liabilities

1. Significant Changes in Assets

Un[illegible]: RMB [illegible]

Item	As at the end of the Reporting Period: Amount	As at the end of the Reporting Period: % of total assets	[illegible]: Amount	[illegible]: % [illegible]	[illegible] (%)	[illegible]
[illegible]	5,737,102	4.43%	6,325,998	5.08%	(0.65%)	[illegible]
[illegible]	16,371,018	12.64%	11,526,075	9.25%	3.39%	[illegible]
[illegible]	18,336,871	14.16%	17,409,515	13.97%	0.19%	[illegible]
[illegible]	1,722,065	1.33%	1,752,608	1.41%	(0.08%)	[illegible]
[illegible]	2,249,428	1.74%	2,162,217	1.74%	0.00%	[illegible]
[illegible]	21,674,735	16.74%	22,037,261	17.68%	(0.94%)	[illegible]
[illegible]	23,804,653	18.38%	22,769,189	18.27%	0.11%	[illegible]
[illegible]	17,945,748	13.86%	15,729,787	12.62%	1.24%	[illegible]
[illegible]	23,665,089	18.27%	27,023,222	21.69%	(3.42%)	[illegible]

2. Assets and Liabilities Measured at Fair Value

√ Applicable □ Not applicable

Unit: RMB thousand

Item	Amount at the beginning of the period	Profit or loss arising from changes in fair value for the Reporting Period	Cumulative changes in fair value recognised in equity	Impairment provision for the Reporting Period	Purchases for the Reporting Period	Sales for the Reporting Period	Amount at the end of the Reporting Period

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

(V) Analysis of Investments during the Reporting Period

4. Financial Asset Investments

( ) [illegible]

[illegible] A [illegible] N [illegible]

Un[illegible]: RMB [illegible]

Securities	Stock code	Abbreviation of stock name	Initial investment cost	Modes of accounting measurement	Book value at the beginning of the period	Profit or loss arising from changes in fair value during the current period	Cumulative changes in fair value recognised in equity	Purchases for the current period	Sales for the current period	Profit or loss during the Reporting Period	Book value at the end of the period	Classification in accounting	Source of funds
H Sh[illegible]	6198	Q[illegible]ng [illegible]	128,589	F[illegible]	133,400	28,637	,	,	,	,	157,489	[illegible]	[illegible]
H Sh[illegible]	368	S[illegible] Sh[illegible] H	20,742	F[illegible]	3,860	1,407	,	,	,	,	5,123	[illegible]	[illegible]
O[illegible]			,	,	812	(210)	,	,	,	,	17,745	,	[illegible]

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

[illegible]

[illegible]

Un[illegible]: RMB [illegible]

Name of the derivatives investment operator	Relationship with the Group	Related party transaction or not	Type of derivatives investment	Initial investment amount of derivatives investment	Date of commencement	Date of termination	Investment amount at the beginning of the period	Amount acquired during the Reporting Period	Amount sold during the Reporting Period	Provision for impairment (if any)	Investment amount at the end of the period	Proportion of Investment amount at the end of the period to net assets of the Company at the end of the Reporting Period	Actual profit or loss during the Reporting Period
HSBC, [illegible]	N[illegible]	N[illegible]	[illegible]	[illegible]	2015/1/29	2018/4/16	219,820	[illegible]	[illegible]	[illegible]	236,667	0.79%	9,452
[illegible] HSBC [illegible]	N[illegible]	N[illegible]	[illegible]	[illegible]	2010/1/20	2021/6/28	10,302,060	[illegible]	[illegible]	[illegible]	9,849,606	33.03%	(74,075)
[illegible]	N[illegible]	N[illegible]	[illegible]	[illegible]	2017/6/23	2017/12/20	[illegible]	[illegible]	[illegible]	[illegible]	154,473	0.52%	333
T[illegible]				[illegible]	[illegible]	[illegible]	10,521,880	[illegible]	[illegible]	[illegible]	10,240,746	34.34%	(64,290)

[illegible]	[illegible]
[illegible]	N[illegible]
[illegible]	28 M[illegible] 2017
[illegible]	N[illegible]
[illegible]	A[illegible] 30 J[illegible] 2017, [illegible]
[illegible]	[illegible] 2017, [illegible] RMB(64.290) [illegible]
[illegible]	N[illegible]
[illegible]	[illegible]

(VI) Disposal of Substantial Assets and Equity Interests

1. Disposal of Substantial Assets

□ A[illegible] , N[illegible]

2. Disposal of Substantial Equity Interests

□ A[illegible] , N[illegible]

(VII) Analysis of Principal Subsidiaries and Associates

, A[illegible] □ N[illegible]

Details on acquiring and disposing subsidiaries during the Reporting Period

□ A[illegible] , N[illegible]

[illegible]

Details on the principal subsidiaries

[illegible]

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

Subsidiaries or associates contributing to more than 10% of the Company's net profits

CHAPTER IV Operation Discussion and Analysis Prepared in Accordance with the Domestic Securities Regulatory Rules

Date of reception	Mode of reception	Type of party received	Brief description on research
24 Feb 2017	[illegible] Zhangjiagang	[illegible]	[illegible]
11 Apr 2017	[illegible]	[illegible]	[illegible]
28 Apr 2017	[illegible]	CICC [illegible]	[illegible]
17 May 2017	[illegible]	[illegible]	[illegible]
18 May 2017	[illegible] Shanghai	[illegible], ICBC [illegible], TF [illegible], [illegible] Shanghai [illegible], [illegible], [illegible] (瀚倫投資), [illegible], UBS [illegible], [illegible] AMC, [illegible], BOC [illegible], CIB [illegible], CITIC [illegible], ABC [illegible]	[illegible]
23 May 2017	[illegible] Shanghai	[illegible]	[illegible]
7 Jun 2017	[illegible] Shanghai	HSBC [illegible]	[illegible]

[illegible]

CHANGES IN ACCOUNTING POLICIES FOR THE REPORTING PERIOD

[illegible]

CONSOLIDATED OPERATING RESULTS

[illegible]

SEGMENT INFORMATION

[illegible]

GROSS PROFIT MARGIN AND PROFITABILITY

[illegible]

Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

NON-OPERATING INCOME

D[illegible]ng [illegible] ng [illegible], [illegible] G[illegible] n[illegible]n-[illegible] ng [illegible] RMB84.343 m[illegible]ll[illegible]n ([illegible] n 2016: RMB167.289 m[illegible]ll[illegible]n), [illegible] n[illegible]ng [illegible] 49.58%, [illegible] CASBE [illegible] IV. 60 [illegible] Ch[illegible] IX 2017 [illegible] (Un[illegible]) [illegible].

TAX EXPENSE

D[illegible]ng [illegible] ng [illegible], [illegible] G[illegible] RMB509.633 m[illegible]ll[illegible]n ([illegible] n 2016: RMB375.316 m[illegible]ll[illegible]n), [illegible] 35.79%, [illegible] IV. 62 [illegible] Ch[illegible] IX 2017 [illegible] (Un[illegible]) [illegible].

TECHNOLOGY DEVELOPMENT COSTS

D[illegible]ng [illegible] ng [illegible], [illegible] RMB288.459 m[illegible]ll[illegible]n ([illegible] n 2016: RMB230.097 m[illegible]ll[illegible]n) [illegible]

Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

BANK LOANS AND OTHER BORROWINGS

As at 30 June 2017, the Group's short-term borrowings, long-term borrowings, debentures payable and other interest-bearing liabilities (excluding derivative financial liabilities) in aggregate amounted to RMB57,072.710 million (31 December 2016: RMB55,932.185 million). Details are set out in Notes IV. 25, IV. 36, IV. 37, IV. 38 and IV. 39 to Chapter IX 2017 Interim Financial Report (Unaudited) in this Report.

Unit: RMB thousand

	As at 30 June 2017 (unaudited)	As at 31 December 2016 (audited)
Short-term borrowings	**17,945,748**	15,729,787
Non-current borrowings due within one year	**4,891,414**	3,525,710
Long-term borrowings	**23,665,089**	27,023,222
Debentures payable	**7,986,500**	7,986,500
Other interest-bearing liabilities (excluding derivative financial liabilities)	**2,583,959**	1,666,966
Total	**57,072,710**	55,932,185

In the first half of 2017, the net bank loans raised by the Group amounted to RMB2,798.256 million (first half of 2016: RMB5,324.877 million), representing a year-on-year decrease of 47.45%. The Group's bank borrowings are mainly denominated in U.S. dollars, [illegible]. As at 30 June 2017, the Group's bank borrowings [illegible] amounted to RMB11,035.941 million (31 December 2016: RMB8,123.960 million), representing an increase of 35.84% from the end of the previous year, [illegible]; long-term borrowings amounted to RMB35,466.310 million (31 December 2016: RMB38,154.759 million), representing a decrease of 7.05% from the end of the previous year. As at the end of the Reporting Period, the long-term bank borrowings [illegible]. For details, please refer to Notes IV. 38 and XIV. 3 to Chapter IX 2017 Interim Financial Report (Unaudited) in this Report.

Chapter V Management Discussion and Analysis Prepared in Accordance with Hong Kong Securities Rules

CAPITAL STRUCTURE

[illegible]

[illegible]

FOREIGN EXCHANGE RISK AND RELEVANT HEDGE

[illegible]

INTEREST RATE RISK

[illegible]

CREDIT RISK

[illegible]

PLEDGE OF ASSETS

[illegible]

CAPITAL COMMITMENTS

[illegible]

CONTINGENT LIABILITY

[illegible]

SIGNIFICANT INVESTMENTS AND MAJOR ACQUISITIONS AND DISPOSALS RELATING TO SUBSIDIARIES AND ASSOCIATED COMPANIES

[illegible]

FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND EXPECTED SOURCES OF FUNDING

[illegible]

CAPITAL EXPENDITURE AND FINANCING PLAN

[illegible]

[illegible]

Chapter VI Significant Events

[illegible]

( ) [illegible]

[illegible]

[illegible]

2. Compliance with the Model Code by Directors and Supervisors of the Company for Securities Transactions

[illegible]

3. Audit Committee

[illegible]

[illegible]

4. Disclosure Pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules

[illegible]

II. RELEVANT SITUATIONS OF ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETING CONVENED DURING THE REPORTING PERIOD

1. General Meeting Convened during the Reporting Period

Session of meeting	Type of meeting	Proportion of investors' participation	Date	Notice date	Disclosure date	Disclosure index
2016 Annual general meeting	Annual general meeting	57.25%	9 June 2017	21 April 2017	9 June 2017	[illegible]
First 2017 A Shareholders' class meeting	Shareholders' class meeting	34.61%	9 June 2017	21 April 2017	9 June 2017	[illegible]
First 2017 H Shareholders' class meeting	Shareholders' class meeting	73.92%	9 June 2017	21 April 2017	9 June 2017	[illegible]

2. The Extraordinary General Meetings Requested by the Shareholders of Preference Shares who Regained the Voting Right

☐ Applicable ✓ Not Applicable

III. PROPOSAL OF PROFIT DISTRIBUTION AND SHARE CAPITAL INCREASE BY WAY OF TRANSFER FROM CAPITAL RESERVES DURING THE REPORTING PERIOD

☐ Applicable ✓ Not Applicable

The Company [illegible] 30 June 2017 ([illegible] 2016: Nil).

Implementation of Profit Distribution of the Company during the Reporting Periodod of 201 N91 ration of the Company during

Chapter VI Significant Events

V. ENGAGEMENT AND DISENGAGEMENT OF FIRMS OF ACCOUNTANTS

[illegible]

☐ [illegible] ☐ [illegible]

[illegible] 2017 [illegible]

On 9 [illegible] 2017, [illegible] 2016 Ann[illegible] [illegible] Zh[illegible]ng T[illegible]n LLP [illegible] 2017.

VI. STATEMENTS OF THE BOARD AND THE SUPERVISORY COMMITTEE ON THE "NON-STANDARD AUDITING REPORT" ISSUED BY THE ACCOUNTANT DURING THE REPORTING PERIOD

☐ [illegible] ☐ [illegible]

VII. EXPLANATION OF THE BOARD ON THE AFFAIRS RELATING TO "NON-STANDARD AUDITING REPORT" FOR THE PREVIOUS YEAR

☐ [illegible] ☐ [illegible]

VIII. BANKRUPTCY OR REORGANISATION RELATED ISSUES

☐ [illegible] ☐ [illegible]

[illegible]

IX. ARBITRATION EVENTS

[illegible]

☐ [illegible] ☐ [illegible]

[illegible]

Other litigation matters

√ Applicable □ Not Applicable

Basic information of litigation (arbitration)	Amount involved (RMB thousand)	Incurred estimated liabilities or not	Progress of litigation (arbitration)	Judgment result of litigation (arbitration) and its impact	Executive of the judgment of litigation (arbitration)	Disclosure date	Disclosure index
[illegible] 2014 [illegible]	337,600	No	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible] 2015 [illegible]	322,200	No	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

X. PENALTIES AND REMEDIES

□ Applicable √ Not Applicable

XI. THE CREDITWORTHINESS OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND THE DE FACTO CONTROLLER

√ Applicable □ Not Applicable

[illegible]

XII. IMPLEMENTATION OF THE COMPANY'S SHARE OPTION INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP SCHEME OR OTHER EMPLOYEE INCENTIVE MEASURES

1. Summary of Share Option Incentive Scheme

(1) A Share(s) Share Option Incentive Scheme of the Company

[illegible]

[illegible]

[illegible]

(2) Share option incentive scheme of the subsidiary CIMC Enric

(3) Implementation of the equity trust scheme of the subsidiary CIMC Vehicle (Group)

The CIMC [illegible] (G[illegible]) C[illegible]., L[illegible]. E[illegible] T[illegible] Pl[illegible]n (D[illegible]) [illegible] the C[illegible] on 17 O[illegible] 2007, [illegible] CIMC [illegible] (G[illegible]) [illegible] 20% [illegible] in CIMC [illegible]

Grant and exercise of equity of Directors, Supervisors and senior management during the Reporting Period

Name	Position	Number of equity granted during the Reporting Period (shares)	Number of equity exercised during the Reporting Period (shares)	Number of outstanding and exercisable equity at the end of the Reporting Period (shares)
Mai Boliang	CEO and President, executive Director	0	0	2,850,000
Liu Xuebin	Vice President	0	0	997,000
Wu Fapei	Vice President	0	0	750,000
Li Yinhui	Vice President	0	0	750,000
Yu Ya	Vice President	0	0	650,000
Zhang Baoqing	Vice President	0	0	750,000
Gao Xiang	Vice President	0	0	375,000
Yu Yuqun	Secretary to the Board	0	0	750,000
Zeng Han	General Manager of the financial management department	0	0	288,750

Note: On 27 March 2017, the Company [illegible] Mr. Jin Jianlong [illegible]. As at 30 June 2017, Mr. Jin Jianlong still held 640,000 [illegible] A share [illegible] the Company and 1,400,000 [illegible] CIMC Enric.

XIII. MATERIAL CONNECTED TRANSACTIONS DISCLOSED ACCORDING TO SHENZHEN LISTING RULES

1. Connected Transactions Relating to Daily Operations

√ Applicable □ Not Applicable

Related party	Relationship with the Group	Type of the connected transaction	Details of the connected transaction	Pricing Principle	Price	Amount (RMB'000)	% of the total amount of a similar transaction	Approved cap (RMB'000)	Whether approved cap has been exceeded

2. Connected Transactions Relating to Assets or Equity Interest Acquisition and Disposal

□ Applicable ✓ Not Applicable

3. Connected Transactions Relating to Joint External Investments

□ Applicable ✓ Not Applicable

4. Claims and Liabilities among the Connected Transactions

✓ Applicable □ Not Applicable

Whether there are non-operating claims and liabilities among the connected transactions

□ Yes ✓ No

Claims receivable from any related party:

Unit: RMB thousand

Related party	Relationship with the Group	Reason	Any appropriation of funds for non-operating purposes	Opening balance	Amount increased during the current period	Amount recovered during the current period	Interest rate	Interest for the current period	Closing balance
Zhenjiang CIMC Embellish Yacht Real Estate Co., LTD	Associate of the Group	Operating borrowings; Shareholder loan	No	824,391	–	320,823	–	6,690	503,568
Shanghai Fengyang Real Estate Development Co., Ltd.	Associate of the Group	Operating borrowings; Shareholder loan	No	34,204	–	–	–	–	34,204
Nantong [illegible] Fine [illegible] Ltd.	Associate of the Group	Operating borrowings; Shareholder	No	10,629	–	10,629	–	–	–
[illegible] Hong Kong Co., Ltd.	Associate of the Group	Operating borrowings; Shareholder loan	No	4,361	7,944	–	–	–	12,305
Effect of related claims on the Company's operating results and financial position	Nil								

Liabilities payable to any related party:

Un[illegible]: RMB [illegible]

Related party	Relationship with the Group	Reason	Opening balance	Amount increased during the current period	Amount repaid during the current period	Interest rate	Interest for the current period	Closing balance
G[illegible] S.A.	[illegible]	[illegible]	46,990	-	1,419	-	522	45,571
Sh[illegible] C[illegible] L[illegible]	[illegible]	[illegible]	56,794	-	29,579	-	-	27,215
[illegible]		N[illegible]						

5. Other Material Connected Transactions

□ A[illegible] N[illegible] A[illegible]

XIV. OCCUPATION OF THE LISTED COMPANY'S NON-OPERATING CAPITAL BY CONTROLLING SHAREHOLDERS AND ITS RELATED PARTIES

□ A[illegible] N[illegible] A[illegible]

Th[illegible] C[illegible] Sh[illegible] [illegible].

XV. MATERIAL CONTRACTS AND THEIR PERFORMANCES

1. Trusteeship, Contracting or Leasing

(1) Trusteeship

□ A[illegible] N[illegible] A[illegible]

D[illegible] C[illegible] 10% [illegible] C[illegible] [illegible].

Chapter VI Significant Events

(2) Contracting

☐ [illegible] √ [illegible]

[illegible] 10% [illegible].

(3) Leasing

☐ [illegible] √ [illegible]

[illegible] 10% [illegible].

2. MATERIAL GUARANTEES

√ [illegible] ☐ [illegible]

(1) Description of Guarantees

Unit: RMB [illegible]

External guarantees undertaken by the Company and its subsidiaries (excluding guarantees for subsidiaries)

Name of the guaranteed	Disclosure date of the announcement about the guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
[illegible] CIMC [illegible]	28 [illegible] 2017	2,650,000	1 [illegible] 2017	794,628	[illegible]	1-2 [illegible]	[illegible]	[illegible]
[illegible] C&C [illegible]	28 [illegible] 2017	1,600,000	1 [illegible] 2017	314,477	[illegible]	1-2 [illegible]	[illegible]	[illegible]
[illegible] CIMC [illegible]	28 [illegible] 2017	740,000	1 [illegible] 2017	714,347	[illegible]	1-2 [illegible]	[illegible]	[illegible]
[illegible] CIMC [illegible]	28 [illegible] 2017	382,000	1 [illegible] 2017	334,250	[illegible]	1-2 [illegible]	[illegible]	[illegible]
[illegible] (A1)		1,122,000		[illegible] (A2)				1,048,597
[illegible] (A3)		5,372,000		[illegible] (A4)				2,157,702

The Company's guarantees for subsidiaries

Name of the guaranteed	Disclosure date of the announcement about guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party guaranteed or not
S[illegible] CIMC	28 M[illegible]h 2017	24,172,570	1 J[illegible]n 2017	5,982,920	W[illegible]	1-2[illegible]	N[illegible]	N[illegible]
Q[illegible] CIMC	28 M[illegible]h 2017	30,000,000	1 J[illegible]n 2017	14,460,910	W[illegible]	1-2[illegible]	N[illegible]	N[illegible]
T[illegible] (B1)			35,651,530	T[illegible] (B2)				14,623,210
T[illegible] (B3)			54,172,570	T[illegible] (B4)				20,443,830

Subsidiaries' guarantees for subsidiaries

Name of the guaranteed	Disclosure date of the announcement about guarantee facilities	Guarantee facilities	Actual date (date of the agreement)	Actual amount of guarantee	Type of guarantee	Guarantee period	Fulfilled or not	Related party Guaranteed or not
G[illegible]	28 M[illegible]h 2017	12,573,650	1 J[illegible]n 2017	6,254,230	W[illegible]	1-2[illegible]	N[illegible]	N[illegible]
T[illegible] (C1)			6,731,980 ([illegible]					

(2) Irregular External Guarantees

☐ A [illegible] , N[illegible] A [illegible]

3. OTHER MATERIAL CONTRACTS

☐ A [illegible] , N[illegible] A [illegible]

XVI. SOCIAL RESPONSIBILITY

1. Performance of Precise Poverty-alleviation Social Responsibility

☐ A [illegible] , N[illegible] A [illegible]

D[illegible] [illegible] C[illegible] [illegible]

2. Performance of Other Social Responsibilities

[illegible] 2016 [illegible] 2016 En[illegible] [illegible] H[illegible]ng K[illegible]ng S[illegible] [illegible] 28 M[illegible]h 2017 [illegible] 30 J[illegible] 2017 [illegible]

3. Material Environmental Protection Events

W[illegible] [illegible]

[illegible] ☐ N[illegible] ☐ N[illegible] A [illegible]

[illegible] n Ch n [illegible]:

Name of subsidiary	Name of major and specific pollutants	Emission method	Number of emission outlets	Distribution of emission outlets	Emission concentration	Pollutant emission standards in effect	Total emission	Approved total emission	Excessive emission
S[illegible] n CIMC L[illegible] E[illegible] M[illegible] ng C[illegible] L[illegible]	S[illegible], [illegible] VOC[illegible]	C[illegible] h gh-[illegible]	19	D[illegible] II, [illegible] III [illegible]	E[illegible]	[illegible] I S[illegible] E[illegible] S[illegible] V[illegible] O g[illegible] C[illegible] C[illegible] M[illegible] ng [illegible] G[illegible] ng P[illegible]	C[illegible]	[illegible]	N [illegible] 4.173.236 5 (N[illegible]-ng PIMC) Shn[illegible] [illegible]-ng PIMC [illegible] 18[illegible] ES[illegible] O, GA MW18. [illegible] MS [illegible] GB8978-1996) Mn OQ [illegible] N [illegible] (CJ343-2010)Tj0.026 T 1..823 8[illegible] M[illegible] M[illegible]

Chapter VI Significant Events

Construction and operation of pollution prevention and control facilities:

Name of subsidiary	Construction and operation of pollution prevention and control facilities
[illegible] CIMC [illegible] Co., Ltd.	I. [illegible] 5 [illegible] 6 [illegible] 3 [illegible] III. II. [illegible] 1 [illegible] 450m³/ [illegible] III. [illegible]
[illegible] CIMC [illegible] Co., Ltd. [illegible] CIMC [illegible] Co., Ltd.	I. [illegible] II. [illegible] 600m [illegible] 300m [illegible]
[illegible] CIMC [illegible] Co., Ltd.	I. [illegible] 4 [illegible] 308,000m³/h [illegible] II. [illegible] 1 [illegible] 6 / [illegible] 140 / [illegible] + UASB + MBR [illegible] III. [illegible] 1 [illegible] 280 / [illegible]

Name of subsidiary	Construction and operation of pollution prevention and control facilities
Shanghai CIMC Yangshan Logistics Equipment Co., Ltd.	I. [illegible] II. [illegible] 1 [illegible] 100m³/ [illegible] MBR [illegible]. All [illegible] III. [illegible]
Shenzhen CIMC Special Vehicle Co., Ltd.	I. [illegible] 5 [illegible] II. [illegible] 1 [illegible] 1311

Chapter VI Significant Events

XVII. EXPLANATION ON OTHER MATERIAL EVENTS

1. On 17 J[illegible]n[illegible] 2017, [illegible] the Company [illegible] the CSRC [illegible] the Non-[illegible] Offering of A Shares. On 9 J[illegible] 2017, [illegible] 2016, [illegible] 2017 [illegible] of A Shares [illegible] 2017 [illegible] of H Shares, the Company [illegible] the Non-[illegible] Offering of A Shares [illegible]. F[illegible] 17 J[illegible]n[illegible], 21 A[illegible] and 9 J[illegible] 2017 [illegible] China [illegible] J[illegible], Shanghai [illegible] T[illegible], Cninfo [illegible] (www.cninfo.com.cn), the Company [illegible] (www.cimc.com) (No.: [CIMC]2017-002, [CIMC]2017-024 and [CIMC]2017-033) and [illegible] H[illegible]ng K[illegible]ng S[illegible] E[illegible]change (www.hkexnews.hk). A[illegible] the [illegible] the Non-[illegible] Offering of A Shares [illegible].

2. On 7 A[illegible] 2017, China Merchants Port Holdings Company Limited, the [illegible] the Company, [illegible] the Company [illegible] China Merchants (CIMC) [illegible] 0.8 / [illegible]

XVIII. MATERIAL EVENTS OF SUBSIDIARIES

□ Applicable [illegible] Not Applicable

XIX. SIGNIFICANT SUBSEQUENT EVENTS

1. On 5 July 2017, EIHL (Shenzhen) [illegible] SOE [illegible] SOE B [illegible] L[illegible] (南通太平洋破產清算組) [illegible] SOE [illegible] SOE. On 4 August 2017, [illegible] SOE [illegible] SOE [illegible]. On 16 August 2017, SOE [illegible] CIMC Enric [illegible] SOE [illegible] 南通中集太平洋海洋工程有限公司 (Nantong CIMC Sinopacific Offshore & Engineering Co., Ltd.). [illegible] 6 July, 4 August and 16 August 2017 [illegible] China [illegible] Shanghai [illegible] Times, Cninfo [illegible] CIMC]2017-036, [illegible]CIMC]2017-047 and [illegible]CIMC]2017-054) [illegible] Hong Kong Stock Exchange [illegible].

2. On 17 July 2017, CIMC S[illegible] Real Estate [illegible] CGRE [illegible] CGRE [illegible] RMB926,322,300 [illegible] CIMC S[illegible] Real Estate [illegible] 25% [illegible] 61.5% [illegible] CIMC S[illegible] Real Estate [illegible] CIMC Shen[illegible]. [illegible] 17 July 2017 [illegible] China [illegible] Shanghai [illegible] Times, Cninfo [illegible] (No.: [illegible]CIMC] 2017-040) [illegible] Hong Kong Stock Exchange [illegible].

3. On 3 August 2017, Shenzhen S[illegible] CIMC C[illegible] M[illegible] Co., Ltd. (深圳南方中集集裝箱製造有限公司) (S[illegible] CIMC), [illegible] China Merchants Shekou Industrial Zone Holdings Co., Ltd. (招商局蛇口工業區控股股份有限公司) (China Merchants Shekou) [illegible] CIMC [illegible] China Merchants Shekou [illegible] China Merchants Shekou [illegible] RMB494,894,588. [illegible] 2017 [illegible] 26 September 2017 [illegible] 3 August and 11 August 2017 [illegible] China [illegible] Shanghai [illegible] Times, Cninfo [illegible] (No.: [illegible]CIMC] 2017-045 and [illegible]CIMC] 2017-052) [illegible] Hong Kong Stock Exchange [illegible].

XX. CORPORATE BONDS

The Company [illegible] 2017 [illegible].

I. CHANGES IN SHAREHOLDINGS IN THE REPORTING PERIOD

1. Change in Share Capital

Un[illegible]: Sh[illegible]

	Pre-movement (As at 31 December 2016)		Increase/decrease (+/-)					Post-movement (As at 30 June 2017)	
	Numbers of shares	Percentage	New issue	Bonus issue	Conversion from reserves	Others	Sub-total	Numbers of shares	Percentage
I. Sh[illegible]	699,526	0.02%	0	0	0	28,500	28,500	728,026	0.02%
1. [illegible]	0	0.00%	0	0	0	0	0	0	0.00%
2. Sh[illegible]	0	0.00%	0	0	0	0	0	0	0.00%
3. Sh[illegible]	699,526	0.02%	0	0	0	28,500	28,500	728,026	0.02%
Sh[illegible]	0	0.00%	0	0	0	0	0	0	0.00%
Sh[illegible]	699,526	0.02%	0	0	0	28,500	28,500	728,026	0.02%
4. Sh[illegible]	0	0.00%	0	0	0	0	0	0	0.00%
Sh[illegible]	0	0.00%	0	0	0	0	0	0	0.00%
Sh[illegible]	0	0.00%	0	0	0	0	0	0	0.00%
II. Sh[illegible]	2,977,877,460	99.98%			0	0.00%	0	0	0

0 0

3. Sh

[illegible] 0 0

4.00 [illegible] 0.00% 0 0

II.

[illegible]

□ [illegible]

[illegible]

□ [illegible]

[illegible]

2. Changes in Shares with Selling Restrictions

[illegible]

[illegible]

Name of Shareholders	Number of shares with selling restrictions at the beginning of the period	Number of shares with selling restrictions expired in the period	Increase in number of shares with selling restrictions in the period	Number of shares with selling restrictions at the end of the period	Reasons for selling restrictions	Expiry date of selling restrictions
[illegible] (Note 1)	371,026	0	0	371,026	[illegible]	[illegible]
[illegible] (Note 1)	75,000	0	0	75,000	[illegible]	[illegible]
[illegible] (Note 2)	157,500	0	52,500	210,000	[illegible] 27 [illegible] 2017 [illegible]	[illegible]
[illegible] (Note 3)	96,000	(24,000)	0	72,000	[illegible]	3 [illegible] 2017
[illegible]	699,526	(24,000)	52,500	728,026	[illegible]	[illegible]

Note 1: [illegible] 371,026 [illegible] 75,000 [illegible] 25% [illegible]

Note 2: On 27 [illegible] 2017, [illegible] 210,000 [illegible] 52,500 [illegible]

Note 3:

III. NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS OF THE COMPANY

As at 30 June 2017, the total number of Shareholders of the Company was 80,942, including: 12 holders of H Shares and 80,930 holders of A Shares.

Unit: Shares

Total ordinary Shareholders at the end of the Reporting Period	Total: 80,942 (including: A Shares: 80,930, H Shares: 12)			Total number of preference Shareholders whose voting rights were restored at the end of the Reporting Period (if any)				0
Shareholdings of the ordinary Shareholders who hold above 5% or the top ten ordinary Shareholders								
Name of Shareholders	Nature of Shareholders	Percentage of shareholding	Number of ordinary shares held at the end of the Reporting Period (Shares)	Changes during the Reporting Period (Shares)	Number of ordinary shares with selling restrictions (Shares)	Number of ordinary shares without selling restrictions (Shares)	Pledged or frozen shares Status	Number
HKSCC Nominees Limited (Note 1)	Foreign legal person	57.59%	1,716,412,609	65,099,538	–	1,716,412,609	–	0
COSCO Container Industries Limited (Note 2)	Foreign legal person	14.50%	432,171,843	–	–	432,171,843	–	0
China Securities Finance Corporation Limited	State-owned legal person	2.70%	80,414,863	(6,252,204)	–	80,414,863	–	0
Central Huijin Asset Management Ltd.	State-owned legal person	1.27%	37,993,800	–	–	37,993,800	–	0
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Dacheng Fund – Agricultural Bank – Dacheng China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
Yinhua Fund – Agricultural Bank – Yinhua China Securities and Financial Asset Management Program	Domestic non-state-owned legal person	0.32%	9,566,600	–	–	9,566,600	–	0
The relationship or concerted action among the above Shareholders	Unknown							

IV. CHANGE OF CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER

1. Controlling Shareholders of the Company

☐ Applicable ✓ Not Applicable

There was no change in controlling shareholder of the Company during the Reporting Period.

2. De Facto Controller

☐ Applicable ✓ Not Applicable

There was no change in de facto controller of the Company during the Reporting Period.

V. DISCLOSURE OF SHAREHOLDINGS OF THE SUBSTANTIAL SHAREHOLDERS UNDER THE SFO OF HONG KONG

As far as the Directors are aware, as at 30 June 2017, the persons (other than the Directors, Supervisors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company [illegible] or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO are as follows:

Name of Shareholder	Nature of shares	Number of shares (Shares)	Capacity	Percentage of such shares in the same class of the issued shares (%)	Percentage of such shares in the total issued shares (%)
China Merchants Group (Note 1)	H Shares	730,557,217 (L)	Interest of corporation controlled by the substantial Shareholder	42.56%	24.51%
China COSCO Shipping (Note 2)	A Shares	432,171,843 (L)	Interest of corporation controlled by the substantial Shareholder	34.20%	14.50%
	H Shares	245,842,181 (L)	Interest of corporation controlled by the substantial Shareholder	14.32%	8.25%
[illegible] (Note 3)	H Shares	358,251,896 (L)	Interest of corporation controlled by the substantial Shareholder	20.87%	12.02%
[illegible] (Note 3)	H Shares	215,203,846 (L)	Beneficial owner	12.54%	7.22%
	H Shares	143,048,050 (L)	Person having a security interest in shares	8.33%	4.80%
[illegible]	H Shares	143,048,050 (L)	Beneficial owner	8.33%	4.80%

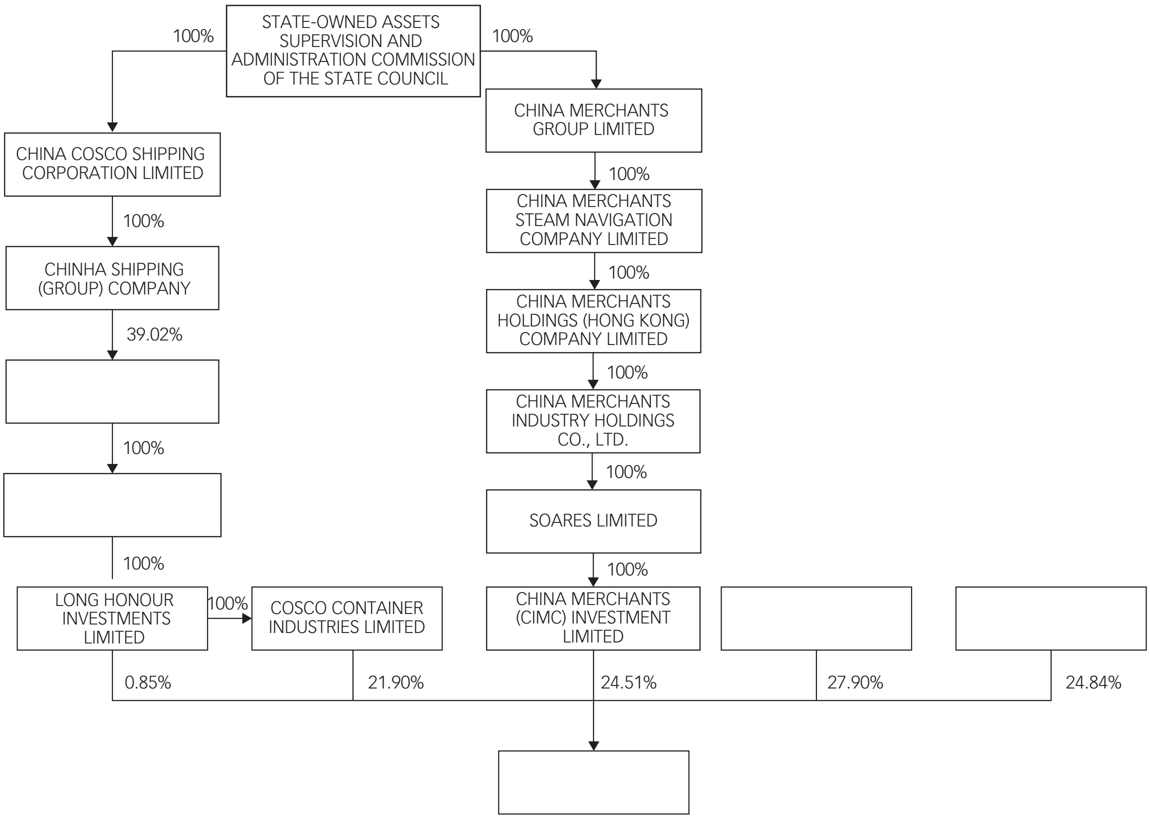
(L) Long Position

Chapter VII Changes in Share Capital and Information on Substantial Shareholders

Note 1: 730,557,217 H Shares are held by China Merchants (CIMC) Investment Limited in the capacity of beneficial owner. China Merchants (CIMC) Investment Limited is a wholly-owned subsidiary of Soares Limited, which in turn is a wholly-owned subsidiary of China Merchants Investment Holdings Co., Ltd., which is a wholly-owned subsidiary of China Merchants Holdings (Hong Kong) Company Limited, which is a wholly-owned subsidiary of China Merchants Steam Navigation Company Limited, which is a wholly-owned subsidiary of China Merchants Group Ltd. Accordingly, pursuant to Part XV of the SFO, China Merchants Group Ltd. is deemed to have interests in the 730,557,217 H Shares of the Company.

Note 2: Among which, 220,520,075 H Shares are held by COSCO Container Industries Limited in the capacity of beneficial owner. 25,322,106 H Shares are held by Long Honour Investments Limited in the capacity of beneficial owner. COSCO Container Industries Limited is a wholly-owned subsidiary of Long Honour Investments Limited, which in turn is a wholly-owned subsidiary of COSCO Shipping Development (Hong Kong) Co., Limited, which is a wholly-owned subsidiary of COSCO

Shareholding Relationships between the Company and the Substantial Shareholders as of the end of the Reporting Period



Chapter VIII Information on Directors, Supervisors and Senior Management

I. CHANGES ON SHAREHOLDINGS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

A □ N A

Un : Sh

1. Interest in the Shares of the Company:

Name	Nature of interest	Class of shares	Number of shares (shares)	Percentage of such shares in the issued shares of the same class (%)	Percentage of such shares in the total issued shares (%)
[illegible]	[illegible]	[illegible]	494,702	0.04%	0.02%

2. Interest in the Underlying Shares of the Company:

[illegible] 30 [illegible] 2017, [illegible] XII. [illegible]

3. Interests in the Shares of Associated Corporations of the Company:

Name	Associated corporation	Nature of interest	Number of shares held (shares)	Percentage of such shares in the total issued shares or total equity interest (%)
[illegible]	CIMC [illegible]	[illegible]	[illegible]	0.74% ([illegible])
	CIMC [illegible]	[illegible]	3,260,000	0.17%

[illegible] 0.74% [illegible] CIMC [illegible] 4.69% [illegible] CIMC [illegible] (3) [illegible] CIMC [illegible] XII. [illegible]

[illegible] 30 [illegible] 2017, [illegible] SFO) [illegible] 7 [illegible] 8 [illegible] XV [illegible] SFO, [illegible] SFO, [illegible] 352 [illegible] SFO, [illegible] 10 [illegible]

IV. CHANGES IN INFORMATION OF DIRECTORS AND SUPERVISORS

[illegible] 2016 [illegible]

Chapter IX 2017 Interim Financial Report (Unaudited)

1. AUDIT REPORT

Whether the interim report has been audited or not

☐ Audited ☑ Not Audited

The 2017 Interim Financial Report of the Company has not been audited.

2. FINANCIAL REPORT

China International Marine Containers (Group) Co., Ltd.

The financial statements are for the period from 1 January 2017 to 30 June 2017

The unit of the financial statements and notes to financial statements is: RMB'000

Consolidated Balance Sheet

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016

Consolidated Balance Sheet (Continued)

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	IV.25	**17,945,748**	15,729,787
Financial liabilities at fair value through profit or loss	IV.26	**134,772**	141,806
Notes payable	IV.27	**1,253,175**	1,551,582
Accounts payable	IV.28	**11,345,178**	10,160,951
Advances from customers	IV.29	**4,545,835**	3,780,694
Employee benefits payable	IV.30	**2,120,417**	2,115,247
[illegible]			[illegible]

Balance Sheet

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016
ASSETS			
Current assets:			
Cash at bank and on hand	XVI.1	**2,300,326**	2,660,222
Dividends receivable	XVI.2	**4,704,365**	4,755,818
Other receivables	XVI.3	**12,968,574**	13,131,416
Other current assets		**7,685**	9,272
Total current assets		**19,980,950**	20,556,728
Non-current assets:			
Available-for-sale financial assets	XVI.4	**388,905**	388,905
Long-term equity investments	XVI.5	**9,490,535**	9,375,276
Fixed assets		**101,398**	102,372
Construction in progress		**16,931**	844
Intangible assets		**14,336**	14,466
Disposal of fixed assets		**207**	-
Long-term prepaid expenses		**35,115**	40,730
Deferred tax assets	XVI.14	**49,636**	52,280
Total non-current assets		**10,097,063**	9,974,873
TOTAL ASSETS		**30,078,013**	30,531,601

Balance Sheet (Continued)

As at 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Note	30 June 2017	31 December 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	XVI.6	**3,660,000**	2,710,000
Financial liabilities at fair value through profit or loss	XVI.7	**–**	65
Employee benefits payable		**196,808**	205,760
Taxes payable	XVI.8	**4,024**	3,646
Interest payable	XVI.9	**225,564**	75,755
Dividends payable		**178,332**	–
Other payables	XVI.10	**2,185,522**	2,990,804
Provisions		**–**	79,104
Current portion of non-current liabilities	XVI.11	**995,000**	800,000
Total current liabilities		**7,445,250**	6,865,134
Non-current liabilities:			
Financial liabilities at fair value through profit or loss	XVI.7	**1,738**	3,296
Long-term borrowings	XVI.12	**826,000**	1,621,000
Debentures payable	XVI.13	**7,986,500**	7,986,500
Deferred income		**36,276**	37,429
Total non-current liabilities		**8,850,514**	9,648,225
Total liabilities		**16,295,764**	16,513,359
Shareholders' equity			
Share capital		**2,980,353**	2,978,577
Other equity instruments		**1,981,143**	2,049,035
Capital surplus	XVI.15	**3,304,356**	3,287,149
Other comprehensive income	XVI.16	**43,754**	43,754
Surplus reserve		**3,279,379**	3,279,379
Undistributed profits		**2,193,264**	2,380,348
Total equity attributable to shareholders and other equity holders		**13,782,249**	14,018,242
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**30,078,013**	30,531,601

The accompanying notes form an integral part of these financial statements.

[illegible]: M[illegible] B[illegible]ng   [illegible]: [illegible] Z[illegible]ng H[illegible]n   [illegible]: Z[illegible]ng H[illegible]n

Consolidated Income Statement

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

		Note	For the Period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
I.	**Revenue**	IV.50	**33,387,152**	23,542,843
	Less: Cost of sales	IV.50	**27,241,564**	19,126,496
	Taxes and surcharges	IV.51	**216,183**	194,236
	Selling and distribution expenses	IV.52	**1,256,253**	1,036,129
	General and administrative expenses	IV.53	**2,368,039**	1,982,301
	Financial expenses	IV.54	**594,251**	304,944
	Asset impairment losses	IV.58	**234,437**	1,267,501
	Add: Gains/(losses) from changes in fair value	IV.56	**(32,626)**	137,104
	Investment income	IV.57	**(10,628)**	(87,328)
	Including: Share of profit/(loss) of associates and joint ventures		**2,538**	13,800
	Other income	IV.59	**91,032**	–
II.	**Operating profit**		**1,524,203**	(318,988)
	Add: Non-operating income	IV.60	**84,343**	167,289
	Including: Profit from disposal of non-current assets		**31,127**	6,153
	Less: Non-operating expenses	IV.61	**32,404**	14,145
	Including: Loss from disposal of non-current assets		**17,388**	9,485
III.	**Total profit**		**1,576,142**	(165,844)
	Less: Income tax expenses	IV.62	**509,633**	375,316
IV.	**Net profit**		**1,066,509**	(541,160)
	Attributable to shareholders and other equity holders of the Company		**796,898**	(378,034)
	Minority interests		**269,611**	(163,126)
V.	**Other comprehensive income/(losses), net of tax**	IV.47	**99,022**	328,231
	Attributable to shareholders and other equity holders of the Company		**72,424**	274,766
	Items that may be reclassified subsequently to profit or loss		**72,424**	274,766
	Changes in fair value of available-for-sale financial assets		**(241)**	949
	Gains or losses on cash flow hedges		**6,072**	(490)
	Currency translation differences		**66,593**	274,307
	Minority interests		**26,598**	53,465
VI.	**Total comprehensive income**		**1,165,531**	(212,929)
	Attributable to shareholders and other equity holders of the Company		**869,322**	(103,268)
	Minority interests		**296,209**	(109,661)
VII.	**Earnings per share**			
	(I) Basic earnings per share (RMB)	IV.63	**0.2554**	(0.1444)
	(II) Diluted earnings per share (RMB)	IV.63	**0.2544**	(0.1444)

The accompanying notes form an integral part of these financial statements.

Legal representative and Chairman: Mai Boliang
The person in charge of accounting affairs: Zeng Han
The head of the accounting department: Zeng Han

Income Statement

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

		Note	For the period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
I.	Revenue	XVI.17	96,917	69,104
	Less: Cost of sales	XVI.17	1,452	24,006
	Taxes and surcharges		–	3,373
	General and administrative expenses		129,167	109,800
	Financial expenses/(income)		296,143	(99,572)
	Asset impairment losses		–	–
	Add: Profit arising from changes in fair value	XVI.18	1,623	1,985
	Investment income	XVI.19	359,040	118,963
	Other income	XVI.20	2,211	–
II.	Operating profit		33,029	152,445
	Add: Non-operating income	XVI.21	21	1,137
	Including: Gains on disposal of non-current assets		–	116
	Less: Non-operating expenses	XVI.22	1,746	249
	Including: Losses on disposal of non-current assets		586	1
III.	Total profit		31,304	153,333
	Less: Income tax expenses/(income)	XVI.23	2,644	27,968
IV.	Net profit		28,660	125,365
V.	Other comprehensive income, net of tax		–	–
VI.	Total comprehensive income		28,660	125,365

The accompanying notes form an integral part of these financial statements.

Legal representative and chairman: Ma Bing[illegible] | The person in charge of accounting affairs: Zheng Hon[illegible] | The head of accounting department: Zheng Hon[illegible]

Consolidated Cash Flow Statement

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

		Note	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
I.	**Cash flows from operating activities:**			
	Cash received from sales of goods or rendering of services		**32,885,118**	26,966,364
	Refund of taxes and surcharges		**1,044,746**	536,836
	Cash received relating to other operating activities	IV.64(1)	**709,660**	252,053
	Sub-total of cash inflows		**34,639,524**	27,755,253
	Cash paid for goods and services		**29,731,503**	21,688,702
	Cash paid to and on behalf of employees		**3,003,021**	2,703,551
	Payments of taxes and surcharges		**1,050,104**	1,102,475
	Cash paid relating to other operating activities	IV.64(2)	**1,523,112**	1,326,793
	Sub-total of cash outflows		**35,307,740**	26,821,521
	Net cash outflow/(inflows) from operating activities	IV.65(1)	**(668,216)**	933,732
II.	**Cash flows from investing activities:**			
	Cash received from disposal of investments		**600**	115,920
	Cash received from returns on investments		**21,903**	241,771
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**37,940**	11,643
	Net cash received from disposal of subsidiaries and other business units		**–**	7
	Sub-total of cash inflows		**60,443**	369,341
	Cash paid to acquire fixed assets, intangible assets and other long-term assets		**1,421,152**	4,189,354
	Cash paid to acquire investments		**142,020**	791,687
	Net cash paid to acquire subsidiaries		**5,000**	764,577
	Sub-total of cash outflows		**1,568,172**	5,745,618
	Net cash outflows from investing activities		**(1,507,729)**	(5,376,277)

Cash Flow Statement

For the six months from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

Consolidated Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

Item	For the Period from 1 January to 30 June 2017	2016

Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

Item	Note	From 1 January to 30 June 2017							2016						
		Share capital	Other equity instruments	Capital surplus	Surplus reserve	Other comprehensive income	Undistributed profits	Total shareholders' equity	Share capital	Other equity instruments	Capital surplus	Surplus reserve	Other comprehensive income	Undistributed profits	Total shareholders' equity
I. Balance at 31 December 2016		2,978,577	2,049,035	3,287,149	3,279,379	43,754	2,380,348								

Notes to the Financial Statements

[illegible] 30 June 2017
(All amounts in RMB'000 [illegible])
(English [illegible] Only)

I. GENERAL INFORMATION

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

[illegible] 30 June 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

I. GENERAL INFORMATION (CONTINUED)

[illegible] Note V.1 [illegible] Note V.2 [illegible].

[illegible] 28 [illegible] 2017.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

[illegible] (Note II.10), [illegible] (Note II.11), [illegible] (Note II.20), [illegible] (Note II.14 [illegible] 17), [illegible] (Note II.21) [illegible] (Note II.23) [illegible].

[illegible] Note II.34.

1. Basis of preparation

[illegible] 15 [illegible] 2006, [illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

Notes to the Financial Statements

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Preparation of consolidated financial statements

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation For Reference Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Preparation of consolidated financial statements (Continued)

[illegible]

[illegible]

[illegible]

[illegible]

7. Cash and cash equivalents

[illegible]

Notes to the Financial Statements

[illegible] 30 June 2017
(All amounts in RMB'000 [illegible])
(English Translation [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Foreign currency transactions and translation of financial statements denominated in foreign currency

[illegible]

[illegible]

[illegible]

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments

[illegible]

(1) Financial Assets

(a) [illegible]

[illegible]

a. [illegible]

[illegible]

b. [illegible]

[illegible]

c. [illegible]

[illegible] 12 [illegible]

(b) [illegible]

[illegible]

[illegible]

Notes to the Financial Statements

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] 50% (50% [illegible]) [illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(1) Financial Assets (Continued)

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(2) Financial liabilities

[illegible]

[illegible]

[illegible]

[illegible] (Note II.21).

[illegible]

[illegible]

(3) Determination of fair value

[illegible]

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Onl[illegible])

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(4) Equity instrument

[illegible]

[illegible]

[illegible]

[illegible]

10. Receivables

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

(1) Receivables that are individually significant and impairment provided on an individual basis:

C[illegible]	In[illegible] RMB10 million [illegible] 5% [illegible].
M[illegible]	An [illegible].

(2) Receivable that are individually insignificant but impairment provided on an individual basis:

C[illegible]	W[illegible].
M[illegible]	An [illegible].

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

(3) Receivables that are assessed for impairment on a collective group basis:

[illegible] (1) [illegible] (2), [illegible]

[illegible]

Notes to the Financial Statements

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Receivables (Continued)

(3) Receivables that are assessed for impairment on a collective group basis: (Continued)

[illegible]

Ageing	Percentage of total accounts receivable (%) Group 1, 2, 4, 5, 6	Group 3
Within 1 year (including 1 year)	5%	0%-5%
1 to 2 years (including 2 years)	30%	30%
Over 2 years	100%	100%

(4) When the Group transfers the accounts receivable to the financial institutions without recourse, the difference between the proceeds received from the transaction and their carrying amounts and the related taxes is recognised in profit or loss for the current period.

11. Inventories

(1) Classification

[illegible]

(2) Cost of inventories

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Inventories (Continued)

(3) The underlying factors in the determination of net realisable values of inventories and basis of provision for decline in value of inventories

[illegible]

[illegible]

[illegible]

[illegible]

(4) Inventory system

[illegible]

(5) Amortisation of reusable material including low-value consumables and packaging material

[illegible]

12. Long-term equity investments

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Long-term equity investments (Continued)

(1) Determination of investment cost

(2) Subsequent measurement

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
([illegible])

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Long-term equity investments (Continued)

(3) Basis for determining the existence of joint control or significant influence over an investee

[illegible]

[illegible]

[illegible]

(4) Method of impairment testing and measuring

[illegible]

13. INVESTMENT PROPERTIES

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Fixed assets

(1) Recognition

[illegible]

[illegible] II.15.

[illegible]

[illegible]

[illegible]

(2) Depreciation

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Fixed assets (Continued)

(3) For the method of impairment testing and measuring, refer to Note II.20.

(4) Basis for identification of fixed assets held under finance leases and related measurement

[illegible] II 27(3).

(5) Disposal

[illegible]

15. Construction in progress

[illegible] II.16), [illegible]

[illegible] II.20).

16. Borrowing costs

[illegible]

[illegible]

[illegible]

- [illegible]

- [illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17.

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Goodwill

[illegible]

[illegible] II.20). [illegible]

19. Long-term prepaid expenses

[illegible]

[illegible]

Item	Amortisation period (years)
[illegible]	2-10
[illegible]	3-5

20. Impairment of long-term assets

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Provisions and contingent liabilities

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

22. Share-based payments

(1) Classification

[illegible]

(2) Method to determine the fair value of equity instruments

[illegible]

(3) Basis of the best estimate of the number of equity instruments expected to vest

[illegible]

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Share-based payments (Continued)

(4) Accounting treatment for share-based payment

( ) [illegible]

[illegible]

( ) [illegible]

[illegible]

23. Revenue recognition

[illegible]

(1) Sale of goods

[illegible]:

( ) [illegible];

(b) [illegible].

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue recognition (Continued)

(1) Sale of goods (Continued)

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(2) Revenue from construction contracts

[illegible]

[illegible]

[illegible]

(a) [illegible]

(b) [illegible]

[illegible]

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Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Revenue recognition (Continued)

(2) Revenue from construction contracts (Continued)

[illegible]

(i) [illegible]

(ii) [illegible]

[illegible]

(3) Rendering of services

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Employee benefits

[illegible]

(1) short-term wages

[illegible]

(2) pension benefits

[illegible]

[illegible]

(3) Enterprise annuities plan

[illegible]

[illegible]

Notes to the Financial Statements

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Government grants

[illegible]

[illegible]

[illegible]

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Deferred tax assets and deferred tax liabilities (Continued)

27. Operating and finance leases

(1) Assets acquired under operating leases

Notes to the Financial Statements

For the six months from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Operating and finance leases (Continued)

(2) Assets leased out under operating leases

[illegible] (Note II.13) [illegible] (Note II.14(2)). [illegible] (Note II.20. [illegible]

(3) Assets acquired under finance leases

[illegible] (Note II.14(2) and II.20) [illegible]

[illegible]

[illegible] (Note II.16).

[illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Operating and finance leases (Continued)

(4) Assets leased out under finance leases

[illegible]

[illegible]

28. Assets held for sale and discontinued operation

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Hedge accounting

Cash flow hedges

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Hedge accounting (Continued)

Cash flow hedges (Continued)

[illegible]

[illegible]

[illegible]

30. Dividend distribution

[illegible]

[illegible]

31. Related parties

[illegible]

(a) [illegible]

(b) [illegible]

(c) [illegible]

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Related parties (Continued)

[illegible]

(g) [illegible]

(h) [illegible]

(i) [illegible]

(j) [illegible]

(k) [illegible]

(l) [illegible]

[illegible] CAS, [illegible] CSRC:

(m) [illegible] 5% [illegible]

(n) [illegible] 5% [illegible]

(o) [illegible] 12 [illegible]

(p) [illegible] 12 [illegible]

(q) [illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Segment reporting

[illegible]

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Significant changes in accounting policy

(1) On 10 M[illegible] 2017, [illegible] No. 16 [illegible] (C[illegible] K[illegible] 2017] No. 15) [illegible] No. 16 [illegible] 12 J[illegible] 2017. F[illegible] 1 J[illegible] 30 J[illegible] 2017, [illegible]:

Contents and reasons for the change	Impacted items on financial statement	Impacted amount for the period from 1 January to 30 June 2017
[illegible] 1 J[illegible] 2017, [illegible] 1 J[illegible] 2017 [illegible] J[illegible] 2016 [illegible].	O[illegible] N[illegible]	91,032 (91,032)

(2) On 28 A[illegible] 2017, [illegible] No. 42 [illegible] (C[illegible] K[illegible] 2017] No. 13), [illegible] No. 42 [illegible] 28 M[illegible] 2017. F[illegible] 1 J[illegible] 30 J[illegible] 2017, [illegible].

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Critical accounting estimates and judgements

[illegible]

Notes to the Financial Statements

[illegible]

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Critical accounting estimates and judgements (Continued)

(3) Impairment of long-term assets

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(4) Depreciation and amortisation of assets such as fixed assets and intangible assets

[illegible]

II.

Notes to the Financial Statements

F[illegible] 1 J[illegible]n[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] T[illegible] [illegible] Onl[illegible])

III. TAXATION

1. Main taxes categories and rates

Types of tax	Tax basis	Tax rate
V[illegible] (VAT)( )	Th[illegible] VA[illegible] [illegible] ng [illegible] VAT [illegible], [illegible] VAT [illegible]	

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

III. TAXATION (CONTINUED)

2. Preferential tax treatments

The Group's subsidiaries which enjoyed preferential tax treatments are as follows:

	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
1	Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2015 and entitled to 15% preferential rate
2	Xinhui CIMC Special Transportation Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2016 and entitled to 15% preferential rate
3	Yangzhou Runyang Logistics Equipment Co., Ltd.	25%	15%	Recognised as high-tech enterprises, in 2014 and entitled to 15% preferential rate
4	Yangzhou Tonglee Reefer Container Co., Ltd.	25%	15%	Recognised as high-tech enterprises, in 2015 and entitled to 15% preferential rate
5	Hunan CIMC Bamboo Industry Development Co., Ltd.	25%	15%	Recognised as high-tech enterprises, in 2016 and entitled to 15% preferential rate
6	Dalian CIMC Logistics Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and entitled to 15% preferential rate
7	Shenzhen CIMC Special Vehicle Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and entitled to 15% preferential rate
8	Yangzhou CIMC Tonghua Special Vehicles Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and entitled to 15% preferential rate
9	Zhumadian CIMC Huajun Casting Co. Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2015 and entitled to 15% preferential rate
10	Wuhu CIMC Ruijiang Automobile CO Ltd.	25%	15%	Recognised as high-tech enterprises, in 2014 and entitled to 15% preferential rate
11	Luoyang CIMC Lingyu Automobile CO., Ltd.	25%	15%	Recognised as high-tech enterprises, in 2016 and entitled to 15% preferential rate
12	Zhangjiagang CIMC Sanctum Cryogenic Equipment Machinery Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and entitled to 15% preferential rate
13	Enric (Bengbu) Compressor Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and entitled to 15% preferential rate

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

III. TAXATION (CONTINUED)

2. Preferential tax treatments (Continued)

	Name of enterprises	Local statutory tax rate	Preferential rate	Reasons
14	Shijiazhuang Enric Gas Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and subject to 15% preferential tax rate
15	Enric (Langfang) Energy Equipment Integration Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2015 and subject to 15% preferential tax rate
16	Jingmen Hongtu Special Aircraft Manufacturing Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2015 and subject to 15% preferential tax rate
17	Nantong CIMC Tank Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2015 and subject to 15% preferential tax rate
18	Liaoning CIMC Hashenleng Gas Liquefaction Plant Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2015 and subject to 15% preferential tax rate
19	Nantong CIMC Energy Equipment Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and subject to 15% preferential tax rate
20	Ziemann Holvrieka Asia Co., Ltd.	25%	15%	Recognised as high-tech enterprises, in 2016 and subject to 15% preferential tax rate
21	Shenzhen CIMC-Tianda Airport Support Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and subject to 15% preferential tax rate
22	Xinfa Airport Equipment Ltd.	25%	15%	Recognised as high-tech enterprises, in 2015 and subject to 15% preferential tax rate
23	Shenzhen CIMC Tianda Logistics Systems Engineering Co., Ltd.	25%	15%	Recognised as high-tech enterprises, in 2016 and subject to 15% preferential tax rate
24	Shenzhen CIMC Intelligent Technology Co., Ltd.	25%	15%	Continue to be recognised as high-tech enterprises in 2014 and subject to 15% preferential tax rate

(All amounts in RMB'000 unless otherwise stated)

Notes to the Financial Statements

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

... VI.1 ... IV.13 ... S ... , ... n j... n ... .

1. Cash at bank and on hand

	30 June 2017	31 December 2016
Cash on hand	**155,947**	157,493
Bank deposits	**5,171,582**	5,711,162
Other cash balances	**409,573**	457,343
Total	**5,737,102**	6,325,998
Including: Cash abroad	**2,516,745**	1,938,284

As at 30 June 2017, other cash balances and cash at bank and on hand of the Group amounting to RMB816,845,000 (31 December 2016: RMB987,257,000) ... Note IV.24 ... .

As at 30 June 2017, ... cash at bank and on hand of the Group ... Finance Company ... People's Bank of China, amounting to RMB404,982,000 (31 December 2016: RMB504,795,000). Finance Company ... People's Bank of China.

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets at fair value through profit or loss

(1) Classification

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets at fair value through profit or loss (Continued)

(3) The equity instruments held for trading are securities listed on the Stock Exchange of Hong Kong Limited and Singapore Exchange Limited, the fair value of securities is determined at the closing price of the Stock Exchange of Hong Kong Limited, Shanghai Stock Exchange and Singapore Exchange Limited on the last trading day of the period.

(4) Forward foreign exchange contracts

A[illegible] 30 J[illegible] 2017, [illegible] G[illegible] US [illegible] (USD) [illegible]

(5) Currency swap contracts

A[illegible] 30 J[illegible] 2017, [illegible] G[illegible] 5 [illegible] US [illegible] Y[illegible] (RMB). [illegible] USD15,000,000 [illegible] RMB52,847,000. [illegible]

(6) Interest swap contracts

A[illegible] 30 J[illegible] 2017, [illegible] G[illegible] 19 [illegible] US [illegible]

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation is for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Notes receivable

(1) Classification of Notes receivable

	30 June 2017	31 December 2016
Bank acceptance notes		

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

(1) Accounts receivable analysed by customer categories is as follows:

	30 June 2017	31 December 2016
[illegible]	**6,265,003**	2,540,433
[illegible]	**3,278,726**	2,396,644
[illegible]	**3,304,160**	3,220,025
[illegible]	**587,228**	244,655
[illegible]	**966,932**	1,255,195
[illegible]	**1,160,930**	1,159,172
[illegible]	**802,413**	769,250
Others	**652,359**	569,937
Sub-total	**17,017,751**	12,155,311
Less: Provision for bad debts	**(646,733)**	(629,236)
Total	**16,371,018**	11,526,075

(2) The aging analysis of account receivables is as follows:

	30 June 2017	31 December 2016
Within 1 year (including 1 year)	**15,142,027**	10,329,997
1 to 2 years (including 2 years)	**1,029,918**	989,469
2 to 3 years (including 3 years)	**532,145**	548,922
Over 3 years	**313,661**	286,923
Sub-total	**17,017,751**	12,155,311
Less: Provision for bad debts	**(646,733)**	(629,236)
Total	**16,371,018**	11,526,075

As at 30 June 2017 and 31 December 2016, the Group [illegible]

[illegible]

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(3) Accounts receivable analysed by categories is as follows:

	30 June 2017				31 December 2016			
	Book balance		Provision for doubtful debts		Book balance		Provision for doubtful debts	
	Amount	% of total balance	Amount	Ratio(%)	Amount	% of total balance	Amount	Ratio(%)

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(4) As at 30 June 2017, accounts receivable with amounts that are individually significant and that the related provision for doubtful debts is set aside on the individual basis:

	Book balance	Provision for doubtful debts	Ratio(%)	Reason
[illegible]	1,386,730	51,251	3.70%	
[illegible]	737,225	51,706	7.01%	
[illegible] & [illegible]	385,942	22,020	5.71%	[illegible]
[illegible]	432,394	18,017	4.17%	
[illegible]	569,783	125	0.02%	
[illegible]	282,847	4,661	1.65%	
[illegible]	121,724	2,731	2.24%	
[illegible]	120,209	579	0.48%	
Total	4,036,854	151,090	3.74%	

(5) As at 30 June 2017, accounts receivable with amounts that are not individually significant but that the related provision for doubtful debts is set aside on the individual basis:

	Book balance	Provision for doubtful debts	Ratio(%)	Reason
[illegible]	68,505	5,294	7.73%	
[illegible]	285,271	49,105	17.21%	[illegible]
[illegible]	17,445	2,250	12.90%	
[illegible]	28,999	1,087	3.75%	
[illegible]	6,928	590	8.52%	
[illegible]	80,423	4,912	6.11%	
Total	487,571	63,238	12.97%	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(6) The aging analysis of provision for doubtful debts collectively assessed:

	30 June 2017			31 December 2016		
	Book balance	Provision for doubtful debts		Book balance	Provision for doubtful debts	
	Amount	Amount	Ratio (%)	Amount	Amount	Ratio (%)
Within 1 year	**11,361,722**	**103,698**	**0.91%**	7,386,617	77,585	1.05%
1 to 2 years	**575,783**	**28,053**	**4.87%**	604,679	59,829	9.89%
2 to 3 years	**330,333**	**189,392**	**57.33%**	368,380	151,792	41.21%
Over 3 years	**225,488**	**111,262**	**49.34%**	208,653	134,284	

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(10) Accounts receivable from related parties:

As at 30 June 2017, the Group's accounts receivable from related parties amounted to RMB218,804,000 (31 December 2016: 254,396,000), accounting for 1.29% of the total accounts receivable (31 December 2016: 2.09%).

Company name	Relationship with the Group	30 June 2017 Amount	30 June 2017 Ratio (%)	30 June 2017 Provision for doubtful debts	31 December 2016 Amount	31 December 2016 Ratio (%)	31 December 2016 Provision for doubtful debts
[illegible] Development Co., Ltd	Associate	75,420	0.44%	-	78,389	0.64%	-
[illegible] C&C Trucks Co., Ltd	Minority shareholders of subsidiaries	60,476	0.36%	-	27,987	0.23%	-
Florens Maritime Limited (FML)	Subsidiary of significant shareholder	38,523	0.23%	-	7,311	0.06%	-
Florens Container Services [illegible]	Subsidiary of significant shareholder	12,419	0.07%	-	-	0.00%	-
[illegible] S.A. ([illegible])	Minority shareholders of subsidiaries	8,142	0.05%	-	8,183	0.07%	-
SUMITOMO CORPORATION	Minority shareholders of subsidiaries	7,631	0.04%	-	56,538	0.46%	-
NYK [illegible]	Joint Ventures	4,473	0.03%	-	5,795	0.05%	-
China [illegible] Co., Ltd	Subsidiary of significant shareholder	4,180	0.02%	-	-	0.00%	-
Dong Fang International Container (Lian Yun Gang) Co., Ltd (Dong Fang International)	Subsidiary of significant shareholder	1,879	0.01%	-	27,650	0.23%	-
[illegible] GmbH	Minority shareholders of subsidiaries	1,709	0.01%	-	1,610	0.01%	-
[illegible]	Associate	1,154	0.01%	-	1,154	0.01%	-
Other related parties		2,798	0.02%		39,779	0.33%	-
Total		218,804	1.29%	-	254,396	2.09%	-

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(11) Accounts receivable derecognised due to transfer of financial assets

As at 30 June 2017, the Group has no accounts receivable derecognised due to transfer of financial assets (31 December 2016: Nil).

(12) Amount of assets and liabilities recognised due to the continuing involvement of securities accounts receivable

There has been no securities accounts receivable as at 30 June 2017 and 31 December 2016.

(13) As at 30 June 2017, the Group has no restricted accounts receivable (31 December 2016: Nil).

5. Other receivables

(1) Other receivables analysed by categories are as follows:

		30 June 2017	31 December 2016
[illegible]		**550,077**	873,585
[illegible]		**4,265,196**	4,020,057
[illegible]	( )	**1,658,985**	1,658,985
Loans	( )	**473,022**	1,011,616
[illegible]	( )	**1,020,166**	999,926
[illegible]		**28,613**	572,258
[illegible]		**823,600**	663,995
Tax refunds receivable		**234,831**	167,099
Others		**900,111**	960,805
Sub-total		**9,954,601**	10,928,326
Less: Provision for bad debts		**(1,710,625)**	(1,580,439)
Total		**8,243,976**	9,347,887

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(1) Other receivables analysed by categories are as follows: (Continued)

( ) [illegible]

[illegible]

[illegible]

[illegible]

( ) [illegible]

( ) [illegible]

(2) Aging analysis of other receivables is as follows:

	30 June 2017	31 December 2016
Within 1 year (including 1 year)	**9,174,370**	9,667,565
1 to 2 years (including 2 years)	**558,934**	999,143
2 to 3 years (including 3 years)	**31,344**	95,819
Over 3 years	**189,953**	165,799
Subtotal	**9,954,601**	10,928,326
Less: Provision for bad debts	**(1,710,625)**	(1,580,439)
Total	**8,243,976**	9,347,887

[illegible]

[illegible] 30 June 2017 [illegible] 31 December 2016, [illegible] (31 December 2016: Nil).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(3) Other receivables analysed by categories are as follows:

		30 June 2017				31 December 2016			
		Book balance		Provision for doubtful debts		Book balance		Provision for doubtful debts	
	Note	Amount	% of total balance	Amount	Ratio (%)	Amount	% of total balance	Amount	Ratio (%)
Other receivables with amounts that are individually significant	(4)	8,234,184	82.72%	1,604,552	19.49%	9,379,989	85.83%	1,503,143	16.02%
Other receivables with amounts that are not individually significant		1,720,417	17.28%	106,073		106,073			

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(6) Other receivables that are written off in current period

[illegible] RMB6,579,000 ([illegible] 30 June 2016: Nil).

(7) As at 30 June 2017, the five largest balances of other receivables are analysed as follows, accumulated by arrearage parties:

	Notes	Nature	Book balance	Aging	% of total balance	Provision for doubtful debts
[illegible]	( )	[illegible]	3,575,000	[illegible]	35.91%	-
[illegible] (SOE)		[illegible]	1,658,985	[illegible]	16.67%	1,468,464
[illegible] CIMC [illegible]	( )	[illegible]	503,568	[illegible]	5.06%	-
[illegible]		[illegible]	299,950	[illegible]	3.01%	-
[illegible]		[illegible]	152,100	[illegible]	1.53%	-
[illegible]			6,189,603		62.18%	1,468,464

[illegible] 31 December 2016 [illegible] RMB7,130,634,000, [illegible] 65.25% [illegible].

( ) [illegible] 23 December 2016, [illegible] CIMC [illegible] 28 December 2016. [illegible] 30 June 2017, [illegible] 3.575 billion [illegible] 4.9853% [illegible] 2017 [illegible] 2019 [illegible] 2018. [illegible] 487,632,000 [illegible].

( ) [illegible] 14 [illegible] 2016, 80% [illegible] 30 June 2017, [illegible] RMB503,568,000.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

(8) Other receivables from shareholders holding more than 5% (including 5%) of the voting rights of the Company are analysed as follows:

As at 30 June 2017 and 31 December 2016, no amount due from shareholders holding more than 5% (including 5%) of the voting rights of the Company was included in the above balance of other receivables.

(9) As at 30 June 2017, other receivables from related parties are analysed as follows:

		30 June 2017				31 December 2016			
Company name	Relationship with the Group	Amount	Nature	% of total balance	Provision for doubtful debts	Amount	Nature	% of total balance	Provision for doubtful debts
[illegible]	[illegible]	503,568	Funding	5.06%	-	824,391	Funding	7.54%	-

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepaid expenses (Continued)

(2) Aging analysis of prepaid expenses is as follows:

	30 June 2017		31 December 2016	
	Amount	**% of total balance**	Amount	% of total balance
Within 1 year (inclusive)	**1,562,745**	**59.50%**	1,201,088	50.19%
1 to 2 years (inclusive)	**164,197**	**6.25%**	285,595	11.94%
2 to 3 years (inclusive)	**272,648**	**10.38%**	619,004	25.87%
Over 3 years	**627,072**	**23.87%**	287,262	12.00%
Sub-total	**2,626,662**	**100.00%**	2,392,949	100.00%
Less: Provision for bad debts	**(233,632)**	**8.89%**	(226,967)	9.48%
Total	**2,393,030**	**91.11%**	2,165,982	90.52%

[illegible]

[illegible]

(3) As at 30 June 2017, the five largest balances of prepaid expenses are analysed as follows, accumulated by arrearage parties:

	Amount	% of total balance
[illegible]	**968,260**	**36.86%**

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepaid expenses (Continued)

(4) The condition of the companies whose shareholders hold 5% (including 5%) or more of the voting shares of the Company in the prepayments at the end of the year

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories

(1) Inventories are summarised by categories as follows:

	30 June 2017			31 December 2016		
	Book balance	**Provision for decline in the value of inventories**	**Net book Value**	Book balance	Provision for decline in the value of inventories	Net book Value
Raw materials	**3,705,526**	**(168,780)**	**3,536,746**	3,252,604	(163,944)	3,088,660
Work in progress	**2,569,392**	**(27,821)**	**2,541,571**	2,223,924	(27,978)	2,195,946
Finished goods	**4,109,445**	**(112,544)**	**3,996,901**	3,713,285	(125,107)	3,588,178
[illegible]	**212,003**	**(242)**	**211,761**	113,302	(242)	113,060
[illegible]	**184,079**	**(4,655)**	**179,424**	213,712	(1,538)	212,174
[illegible]	**40,055**	**(76)**	**39,979**	35,951	(72)	35,879
[illegible]	**30,731**	**–**	**30,731**	[illegible]	[illegible]	[illegible]

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

(2) Analysis of book balance movement of inventories for the period is as follows:

	31 December 2016	Increase in current period	Decrease in current period	30 June 2017
Raw materials	3,252,604	22,385,554	(21,932,632)	**3,705,526**
Work in progress	2,223,924	17,436,459	(17,090,991)	**2,569,392**
Finished goods	3,713,285	28,817,225	(28,421,065)	**4,109,445**
Consigned processing materials	113,302	1,299,933	(1,201,232)	**212,003**
Spare parts	213,712	301,210	(330,843)	**184,079**
Low-value consumables	35,951	136,378	(132,274)	**40,055**
Materials in transit	22,887	50,168	(42,324)	**30,731**
Completed properties held for sale	852,395	406,123	(456,808)	**801,710**
Properties under development	1,400,761	240,987	(216,151)	**1,425,597**
Others (including [illegible])	4,658,377	86,687	(26,097)	**4,718,967**
Amount due from customers for contract work	1,241,321	4,110,882	(4,498,598)	**853,605**
Total	17,728,519	75,271,606	(74,349,015)	**18,651,110**

(3) Provision for decline in the value of inventories are as follows:

Category	31 December 2016	Increase in current period	Decrease in current period: Reversal	Decrease in current period: Write-off	Exchange differences arising on translation of foreign operations	30 June 2017
Raw materials	163,944	40,938	(39,065)	(993)	3,956	**168,780**
Work in progress	27,978	431	(1,575)	(435)	1,422	**27,821**
Finished goods	125,107	38,387	(41,076)	(10,509)	635	**112,544**
Consigned processing materials	242	-	-	-	-	**242**
Spare parts	1,538	-	(1,565)	(4,458)	9,140	**4,655**
Low-value consumables	72	4	-	-	-	**76**
Others (including [illegible])	123	-	-	-	(2)	**121**
Amount due from customers for contract work	-	-	-	-	-	**-**
Total	319,004	79,760	(83,281)	(16,395)	15,151	**314,239**

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Inventories (Continued)

(3) Provision for decline in the value of inventories are as follows: (Continued)

( ) [illegible]

W[illegible]

W[illegible]

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Assets classified as available for sale

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Current portion of non-current assets (Continued)

As at 30 June 2017, [illegible]

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Other current assets

	30 June 2017	31 December 2016
Tax to be deducted/prepaid	**704,034**	656,847
Others	**15,142**	45,631
Total	**719,176**	702,478

11. Available-for-sale financial assets

	30 June 2017	31 December 2016
Measured at fair value		
Available-for-sale equity instruments – Listed	**1,761**	2,441
Financial products	**20,000**	–
Bonds	**31,086**	30,803
Measured at cost		
Available-for-sale equity instruments(1) – Unlisted	**411,970**	412,240
Others	**10**	307
Less: Provision for impairment	**(3,065)**	(3,065)
	461,762	442,726

(1) Because the equity investments of these companies have no quoted price in active market and their fair value cannot be reliably measured, such investments are stated at cost less any impairment losses.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Available-for-sale financial assets (Continued)

(2) Detailed information of the available-for-sale financial assets:

A. [illegible]:

	30 June 2017	31 December 2016
A. [illegible]		
F[illegible]	**1,761**	2,441
H[illegible]	**4,582**	4,582

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Available-for-sale financial assets (Continued)

(2) Detailed information of the available-for-sale financial assets: (Continued)

Available-for-sale financial assets measured at cost:

	31 December 2016	Increase in the current period	Decrease in the current period	30 June 2017	Shareholding ratio	Cash dividend in the current period
Available-for-sale financial assets measured at cost						
– China United International Rail Containers Co., Ltd. (CR Intermodal)	380,780	–	–	**380,780**	10.00%	4,000
– Bank of Communications Schroder Fund Management Co., Ltd. (BOCM Schroder)	8,125	–	–	**8,125**	5.00%	–
– [illegible] Co., Ltd. ([illegible])	1,700	–	–	**1,700**	1.01%	–
– [illegible] Co., Ltd. ([illegible])	1,365	–	–	**1,365**	0.09%	–
– [illegible] Co., Ltd.	270	–	(270)	**–**	0.00%	–
– [illegible] Co., Ltd. ([illegible])	20,000	–	–	**20,000**	2.00%	–
Subtotal	412,240	–	(270)	**411,970**		4,000
– Provision for impairment	(3,065)	–	–	**(3,065)**		–
Total	409,175	–	(270)	**408,905**		–

Available-for-sale financial assets measured at cost mainly represent the Group's equity investments in non-listed companies, which have no quoted price in an active market. The range of their reasonable fair value estimates is significant and the probabilities of various estimates cannot be reasonably determined, so their fair value cannot be measured reliably. The Group has no intention to dispose of these investments.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Long-term receivables

	30 June 2017	31 December 2016
Finance lease receivables	**21,106,913**	21,814,831
Less: Unrealised financing income	**(7,601,148)**	(8,593,181)
Finance lease receivables, net	**13,505,765**	13,221,650
Sales of goods by instalments	**235,898**	325,592
Others	**210,113**	158,052
Subtotal	**13,951,776**	13,705,294
Less: Provision for impairment	**(452,449)**	(485,052)
Total	**13,499,327**	13,220,242

As at 30 June 2017, there is no long-term receivables due from shareholders holding more than 5% (inclusive) of the voting rights of the Company. (31 December 2016: Nil)

The total amount of minimum finance lease receivables to be received after the balance sheet date, which are recognised in accordance with the non-cancellable finance lease contracts (including guaranteed residual value, initial direct costs, etc. and excluding contingent rent), are analysed as follows:

Minimum lease receivables	30 June 2017	31 December 2016
Within 1 year (inclusive)	**5,677,533**	5,467,492
1 to 2 years (inclusive)	**3,746,417**	3,608,636
2 to 3 years (inclusive)	**2,543,013**	2,261,810
Over 3 years	**14,817,483**	15,944,385
Subtotal	**26,784,446**	27,282,323
Less: Unrealised financing income	**(8,780,233)**	(9,845,686)
Total	**18,004,213**	17,436,637

As at 30 June 2017, there is no long-term receivables derecognised due to transfer of financial assets (31 December 2016: Nil).

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IV.

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments

(1) Classification of long-term equity investments:

		30 June 2017	31 December 2016
Joint ventures	(2)	**512,490**	500,501
Associates	(3)	**1,736,940**	1,661,718
		2,249,430	2,162,219
Less: Impairment provision		**(2)**	(2)
Total		**2,249,428**	2,162,217

[illegible]

[illegible]

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(2) Long-term equity investments in joint ventures:

	31 December 2016	Movements during the period: Increase/Decrease in investment	Net profit/loss adjusted by equity method	Adjustment of other comprehensive income	Other equity movements	Cash dividends declared	Changes in foreign exchange rates	30 June 2017	Provision for impairment
Guangdong S[illegible]n CIMC Logistics Equipment Manufacturing Co., Ltd.	36,294	–	3,345	–	–	–	–	**39,639**	–
S[illegible] (Shanghai) Refrigeration Equipment Co. Ltd	2,171	–	(295)	–	–	–	–	**1,876**	–
Shanghai Sh[illegible]n S[illegible] Parts Co., Ltd	11,340	–	–	–	–	–	(338)	**11,002**	–
NYK Zhenhua Logistics (Tianjin) Co. Ltd.	75,432	–	823	–	–	(4,753)	–	**71,502**	–
K[illegible] Zhenghua Logistics (Tianjin) Co. Ltd.	22,330	–	1,417	–	–	–	–	**23,747**	–
Qing[illegible]ng Bojun Container Management Co., Ltd.	14,531	–	1,476	–	–	–	(433)	**15,574**	–
Dalian Jilong&Bojun Logistics Co., Ltd.	5,678	–	397	–	–	(1,000)	(169)	**4,906**	–
Shanghai Bojun D[illegible] Container Management Co., Ltd.	23,888	–	2,045	–	–	–	(711)	**25,222**	–
Tianjin Jin[illegible]h Bojun Container Management Co., Ltd.	7,933	–	1,087	–	–	–	(236)	**8,784**	–
Y&C Engine Co., Ltd	195,777	–	6,149	–	–	–	–	**201,926**	–
Shenzhen CIMC M[illegible] Information Service Co., Ltd	1,630	–	(1,015)	–	–	–	–	**615**	–
Ningbo Meishan Bonded Port Area Ch[illegible]ngh L[illegible]nghang Investment Management Partnership (Limited Partnership)	50,100	3,000	–	–	–	–	–	**53,100**	–
Hangzhou Y[illegible]ngh Investment Management Partnership	20,100	1,200	–	–	–	–	–	**21,300**	–
N[illegible] H[illegible]n Sh[illegible]ng UG	33,287	–	–	–	–	–	–	**33,287**	–
Hangzhou Xin[illegible] Investment Management Partnership	10	–	–	–	–	–	–	**10**	–
Total	500,501	4,200	15,429	–	–	(5,753)	(1,887)	**512,490**	–

Refer to Note VI.2 [illegible] joint ventures.

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in associates:

	31 December 2016	Movement in the period								30 June 2017	Provision for impairment
		Increase/ Decrease in investment	Net profit/ loss adjusted by equity method	Adjustment of other comprehensive income	Other equity movement	Cash dividends or profit declared	Change in foreign exchange	Recognition of impairment	Others		
Xinyang Wood Hong Kong Co., Ltd.	7,071	-	-	-	-	-	-	-	-	7,071	-
Ningbo Beilun Dongsheng Container Service Co., Ltd.	1,200	-	-	-	-	-	-	-	-	1,200	-
Xiamen CIMC H[illegible] Container Service Co., Ltd	23,350	-	1,505	-	-	-	-	-	-	24,855	-
Dalian Jilong Logistics Co., Ltd.	47,615	-	529	-	-	-	-	-	-	48,144	-
[illegible] (Jiangmen) [illegible] Metal Co., Ltd.	45,684	-	790	-	-	-	-	-	-	46,474	-
[illegible]	8,374	-	389	-	-	-	-	-	-	8,763	-
Shanghai F[illegible]ng Real Estate Development Co., Ltd.	104,191	-	-	-	-	-	-	-	-	104,191	-
TSC	212,905	-	-	-	-	-	(6,338)	-	-	206,567	-
Marine Subsea & Consafe Limited	2	-	-	-	-	-	-	-	-	2	(2)
T[illegible]h (Shanghai) International Freight Agency Co., Ltd.	1,900	-	75	-	-	-	-	-	-	1,975	-
LH [illegible] Co., Ltd. (LH [illegible])	102,176	-	2,832	-	-	-	-	-	-	105,008	-
J[illegible] R[illegible]ng Machinery Co., Ltd	28,123	-	-	-	-	-	-	-	-	28,123	-
[illegible] Kunlun [illegible] Machinery Co., Ltd.	2,608	-	(1,225)	-	-	-	-	-	-	1,383	-
O[illegible] (Shanghai)	16,589	-	(81)	-	-	-	-	-	-	16,508	-
X[illegible] CIMC Wood Co., Ltd	27,519	-	302	-	-	-	-	-	-	27,821	-
Tianjin [illegible] H[illegible] Co., Ltd.	30,436	-	(2,316)	-	-	-	-	-	-	28,120	-
Q[illegible]ng [illegible] International [illegible] Logistics Co., Ltd.	43,400	-	1,246	-	-	-	-	-	-	44,646	-
ZPMC [illegible] Limited	14,567	-	(14,567)	-	-	-	-	-	-	-	-
Tianjin [illegible] Co. Ltd.	21,110	-	-	-	-	-	-	-	-	21,110	-
J[illegible]h Sh[illegible]ng Co., Ltd. (J[illegible]h Sh[illegible]ng)	126,454	-	-	-	-	-	(2,966)	-	-	123,488	-
X[illegible] Freight Co., Ltd.	688	-	150	-	-	-	-	-	-	838	-

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in associates: (Continued)

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term equity investments (Continued)

(3) Long-term equity investments in associates: (Continued)

	31 December 2016	Movements in the period								30 June 2017	Provision for impairment
		Increase/ Decrease in investment	Net profit/loss by equity method	Adjustment to other comprehensive income	Other equity movement	Cash dividend or profit declared	Changes in foreign exchange rates	Provision for impairment	Others		
Sh h ng In n M n g n Co., Ltd	117,775	-	(2,633)	-	-	-	-	-	-	115,142	-
CIMC S h ng (Ch ng h) Logistics Co., Ltd	3,000	(3,000)	-	-	-	-	-	-	-	-	-
M (Shanghai) In n n l T Co., Ltd. (M Shanghai)	851	-	(68)	-	-	-	-	-	-	783	-
Shanghai X n B Q n Co., Ltd	-	16,000	428	-	-	-	-	-	-	16,428	-
Shenzhen S C l Co., Ltd (SESKYC)	-	2,750	-	-	-	-	-	-	-	2,750	-
n In n Inn n l, n Co., LLP	-	30,539	-	-	-	-	-	-	-	30,539	-
X ngh Ch l n h g Co., Ltd	-	1,750	-	-	-	-	-	-	-	1,750	-
CELA S l	-	18,605	-	-	-	-	-	-	-	18,605	-
Total	1,661,718	68,121	(12,891)	-	-	-	19,992	-	-	1,736,940	(2)

Refer to Note VI.2 for details on related parties.

Th G n n TSC, LH En g , J ng R h n, O n (Shanghai), ZPMC, C H , Zh ng X n , H n n Y n Sh n h n R N hn l g Co., Ltd. ll b l 20%. B h G h n b m n n h , h G h gn n n h m. Th n n n h , l b n l b m h .

As at 30 June 2017, MSC, h n h G gn n l ng m n n n j n n n b n h ng l h m h m b m n n b . l ng m n n n j n n n (31 December 2016: Nil).

Notes to the Financial Statements

For the [illegible] 1 January [illegible] 30 June 2017
(All amounts in RMB'000 [illegible])
(English [illegible] Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Investment properties

	Buildings and relevant land use rights	Land use rights	Total
1 January 2016	730,168	–	730,168
Additions	78,176	–	78,176
Change in fair value	75,792	–	75,792
[illegible]	131,859	–	131,859
[illegible]	46,843	130,551	177,394
[illegible]	786	–	786
[illegible]	102,062	482,772	584,834
[illegible]	(26,401)	–	(26,401)
[illegible]	–	–	–
31 December 2016	1,139,285	613,323	1,752,608
1 January 2017	**1,139,285**	**613,323**	**1,752,608**
Additions	**–**	**–**	**–**
Change in fair value	**–**	**–**	**–**
[illegible]	**–**	**–**	**–**
[illegible]	**–**	**–**	**–**
[illegible]	**1,287**	**–**	**1,287**
[illegible]	**–**	**–**	**–**
[illegible]	**–**	**–**	**–**
[illegible]	**(17,704)**	**(17,685)**	**(35,389)**
[illegible]	**3,559**	**–**	**3,559**
30 June 2017	**1,126,427**	**595,638**	**1,722,065**

In [illegible] (For [illegible] 30 June 2016: Nil).

[illegible] Note XIV. 6.

In [illegible] 17,704,000 and 17,685,000, [illegible].

As at 30 June 2017, [illegible] 156,697,000 (31 December 2016: 113,196,000) [illegible].

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets

(1) Fixed assets

	Plants and buildings	Machinery and equipment	Office & other equipment	Motor vehicles	Offshore engineering equipment	Dock, wharf	Total
Original cost							
31 December 2016	10,676,684	10,112,067	1,981,991	1,045,215	6,783,391	1,262,820	31,862,168
Additions from business combination	24,321	11,604	7	71	–	–	36,003
Additions from purchase	58,845	160,773	76,355	167,934	–	–	463,907
Transfers from construction in progress	35,997	206,727	159,382	12,060	–	–	414,166
Transfers from investment properties	41,738	–	–	–	–	–	41,738
Decrease from disposals	(86,498)	(296,266)	(85,105)	(27,882)	(79,025)	–	(574,776)
Transfers to investment properties	–	–	–	–	–	–	–
Disposal of subsidiaries	–	–	–	–	–	–	–
Exchange differences arising on translating foreign operations	13,616	(4,898)	(1,713)	1,104	(65,291)	(12,759)	(69,941)
30 June 2017	10,764,703	10,190,006	2,130,917	1,198,502	6,639,075	1,250,061	32,173,264
Accumulated depreciation							
31 December 2016	2,522,207	4,231,582	1,254,278	528,237	686,944	232,400	9,455,648
Additions from business combination	4,742	5,969	6	60	–	–	10,777
Depreciation charge for the period	213,148	341,224	110,381	90,651	135,213	25,881	916,498
Transfers from investment properties	24,034	–	–	–	–	–	24,034
Decrease from disposals	(54,520)	(105,017)	(80,543)	(14,433)	(8,436)	–	(262,949)
Transfers to investment properties	–	–	–	–	–	–	–
Disposal of subsidiaries	–	–	–	–	–	–	–
Exchange differences arising on translating foreign operations	5,832	(2,924)	2,550	506	(10,729)	(5,593)	[illegible]

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(1) Fixed assets (Continued)

A[illegible] 30 J[illegible] 2017, [illegible] 375,761,000 ([illegible] 525,362,000) [illegible] 109,272,000 (31 D[illegible] 2016: 398,144,000 ([illegible] 525,305,000)) [illegible] 159,815,000, [illegible] N[illegible] IV. 24.

In [illegible] 916,498,000(F[illegible] 30 J[illegible] 2016: 1,056,717,000), [illegible] 776,825,000, 9,897,000 [illegible] 129,776,000(F[illegible] 30 J[illegible] 2016: 891,935,000, 14,860,000 [illegible] 149,922,000) [illegible].

In [illegible] 414,166,000 (2016: 1,206,156,000).

(2) As at 30 June 2017, the carrying amount of temporarily idle buildings, machinery and equipment amounts to 344,385,000(original cost of 614,561,000) (31 December 2016: carrying amount of 207,894,000 and ount 0sd4 of4156,156,00466:ount 0sd

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Fixed assets (Continued)

(3) Fixed assets held through finance leases:

	30 June 2017	31 December 2016

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress

(1) Construction in progress

	30 June 2017			31 December 2016		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
[illegible] under construction	**20,301,214**	**-**	**20,301,214**	19,405,489	-	19,405,489
Raffles H273, H1284 Project	**2,747,244**	**-**	**2,747,244**	2,754,873	-	2,754,873
Enric [illegible] Project	**59,202**	**-**	**59,202**	88,101	-	88,101
CIMC [illegible] Project	**49,146**	**-**	**49,146**	47,633	-	47,633
[illegible] Anhui [illegible]	**37,622**	**-**	**37,622**	30,583	-	30,583
[illegible] C&C [illegible]	**35,382**	**-**	**35,382**	35,218	-	35,218
HJQM [illegible]	**26,477**	**-**	**26,477**	-	-	-
XHCIMC [illegible] project	**22,418**	**-**	**22,418**	13,079	-	13,079
[illegible] QDCRC	**21,129**	**-**	**21,129**	21,129	-	21,129
[illegible] CIMC [illegible] project	**19,590**	**-**	**19,590**	-	-	-
SHYSLE [illegible] project	**11,933**	**-**	**11,933**	-	-	-
Dongguan CIMC [illegible] project	**5,522**	**-**	**5,522**	11,497	-	11,497
TCCIMC [illegible] project	**5,400**	**-**	**5,400**	5,400	-	5,400
[illegible] 2000T [illegible]	**3,128**	**-**	**3,128**	3,080	-	3,080
TJCIMC [illegible]	**1,981**	**-**	**1,981**	1,575	-	1,575
TAS [illegible] Plan Project	**1,824**	**-**	**1,824**	1,498	-	1,498
XHCIMCS [illegible] Project	**1,506**	**-**	**1,506**	1,506	-	1,506
[illegible]	**641**	**-**	**641**	12,033	-	12,033
Others	**454,939**	**(1,645)**	**453,294**	338,916	(2,421)	336,495
Total	**23,806,298**	**(1,645)**	**23,804,653**	22,771,610	(2,421)	22,769,189

The [illegible] amount of borrowing costs capitalised in construction in progress [illegible] RMB1,750,963,000 (31 December 2016: 1,532,714,000). The [illegible] rate used to determine the [illegible] of borrowing costs [illegible] 3.18% (For the period ended 30 June 2016: 3.08%).

As at 30 June 2017, there is no construction in progress [illegible] the Group (31 December 2016: Nil).

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Construction in progress (Continued)

(2) Movement of significant projects of construction in progress during the year

	[illegible]	31 [illegible] 2016	[illegible]	[illegible]	[illegible]	30 June 2017	[illegible] (%)	[illegible]	[illegible]	[illegible]	[illegible] (%)	[illegible]	[illegible]
[illegible]	25,459,806	19,405,489	997,902	-	-	**20,301,214**	98%	79%-100%	1,110,333	177,235	3.18%	[illegible]	(102,177)
[illegible] H273, H1284 [illegible]	2,866,854	2,754,873	56,753	-	-	**2,747,244**	97%	95%	192,141	41,014	3.18%	[illegible]	(64,382)
[illegible]	181,082	88,101	9,764	(38,663)	-	**59,202**	91%	74%	-	-	-	[illegible]	-
[illegible]	60,000	47,633	1,513	-	-	**49,146**	82%	82%	-	-	-	[illegible]	-
[illegible] Anh [illegible]	41,249	30,583	7,039	-	-	**37,622**	91%	100%	-	-	-	[illegible]	-
[illegible] C&CT [illegible]	35,838	35,218	260	(96)	-	**35,382**	99%	50%-100%	-	-	-	[illegible]	-
HJQM [illegible]	120,000	-	26,477	-	-	**26,477**	22%	22%	-	-	-	[illegible]	-
XHCIMC [illegible]	30,640	13,079	11,863	(2,524)	-	**22,418**	81%	90%	-	-	-	[illegible]	-
[illegible] QDCRC	23,369	21,129	-	-	-	**21,129**	90%	90%	-	-	-	[illegible]	-
[illegible] CIMC [illegible]	29,500	-	19,590	-	-	**19,590**	66%	90%	-	-	-	[illegible]	-
SHYSLE [illegible]	30,000	-	11,933	-	-	**11,933**	40%	40%	-	-	-	[illegible]	-
[illegible] CIMC [illegible]	388,182	11,497	923	99%	50%-100%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Intangible assets and development expenditure (Continued)

(2) As of 30 June 2017, intangible assets with pending certificates of ownership are as follows:

	Carrying amount in RMB	Reasons for unsettlement
[illegible]	75,322	[illegible]
SCIMCEL [illegible]	55,674	[illegible]
C&C [illegible]	19,187	[illegible]
[illegible]	8,887	[illegible]
SCIMCEL [illegible]	1,787	[illegible]
[illegible]	160,857	

[illegible]

(3) As of 30 June 2017, there was no restricted intangible asset (31 December 2016: Nil).

(4) As at 30 June 2017, the intangible asset with indefinite useful lives is Gas station Franchise which amounted to 53,300,000 (31 December 2016: 53,300,000).

(5) Development expenditure is as follows:

	31 December 2016	[illegible]	[illegible]	30 June 2017

Notes to the Financial Statements

For the six months from 1 January to 30 June 2017
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(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Goodwill

31 December

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Long-term prepaid expenses

	31 [illegible] 2016	A[illegible]	C[illegible]	C[illegible]	[illegible]	30 June 2017
[illegible]	9,691	–	223	(1,424)	29	**8,519**
[illegible]	133,924	–	31,369	(30,658)	(2,513)	**132,122**
[illegible]	9,439	–	5,372	(2,204)	–	**12,607**
[illegible]	–	–	–	–	–	**–**
[illegible]	19,996	–	51,692	(12,110)	(987)	**58,591**
O[illegible]	73,524	52	10,123	(14,283)	(99)	**69,317**
S[illegible]	246,574	52	98,779	(60,679)	(3,570)	**281,156**
[illegible]	–	–	–	–	–	**–**

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities

(1) The offsetting balances of deferred tax assets and liabilities offset and corresponding deductible or taxable temporary differences

	30 June 2017		31 [illegible] 2016	
	Deductible/ (taxable) temporary differences	Deferred tax assets/ (liabilities)	[illegible]	[illegible]
[illegible]				
[illegible]	834,767	160,844	1,546,119	322,474
[illegible]	617,576	113,145	690,921	139,994
[illegible]	1,139,847	257,745	1,273,607	296,507
[illegible]	120,131	26,479	493,541	89,303
[illegible]	1,791,531	306,356	1,861,895	332,307
[illegible]	7,729	1,634	27,566	6,892
[illegible]	–	–	14,230	2,134
[illegible]	29,871	7,468	18,904	4,726
[illegible]	2,180,446	436,088	278,319	69,580
[illegible]	6,721,898	1,309,759	6,205,102	1,263,917
[illegible]	(187,229)	(32,843)	(25,512)	(6,247)
Offsetting balances	6,534,669	1,276,916	6,179,590	1,257,670

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(English T[illegible] Onl[illegible])

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Deferred tax assets and deferred tax liabilities (Continued)

(2) Unrecognised deferred tax assets

	30 June 2017	31 [illegible] 2016
[illegible]	**1,712,996**	1,606,035
[illegible] SOE	**634,426**	340,729
[illegible] C[illegible] gh[illegible]	**22,119**	22,119
O[illegible]	**3,125**	3,125
T[illegible]	**2,372,666**	1,972,008

(3) Maturity of deductible losses that are not recognised as deferred tax assets:

	30 June 2017	31 [illegible] 2016
2017	**1,296,480**	1,199,243
2018	**1,086,941**	1,086,941
2019	**437,892**	340,655
2020	**819,702**	819,702
2021 [illegible] 2021	**4,149,817**	4,149,817
T[illegible]	**7,790,832**	7,596,358

N[illegible] 1: [illegible] 2016 [illegible] 30 J[illegible] 2017, [illegible] H[illegible]ng K[illegible]ng, [illegible] Un[illegible] S[illegible] A[illegible] Un[illegible] K[illegible]ng[illegible] [illegible]

A[illegible] 30 J[illegible] 2017, [illegible] G[illegible] H[illegible]ng K[illegible]ng [illegible] Ch[illegible]n[illegible]. [illegible] 3,630,258,000(31 [illegible] 2016: 3,303,113,000). S[illegible] G[illegible] [illegible]

[illegible] G[illegible] [illegible]

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Other non-current assets

	30 June 2017	31 December 2016

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Restricted assets

As at 30 June 2017, assets with restricted ownership are as follows:

	Note	31 December 2016	Current period increase	Current period decrease	Exchange differences arising from translation of foreign operations	30 June 2017
Assets used as collateral						
– Cash and balances with central bank	IV.1	987,257	49,135	(219,448)	(99)	**816,845**
– Notes receivable	IV.3	206,753	207,835	(158,188)	–	**256,400**
– Long-term receivables	IV.12	8,164,729	(57,408)	(654,249)	–	**7,453,072**
– Fixed assets	IV.15	398,144	–	(22,383)	–	**375,761**
Total		9,756,883	199,562	(1,054,268)	(99)	**8,902,078**

Long-term receivables [illegible] loan. Notes receivable [illegible] IV.15 [illegible] Note IV.25 and IV.28 [illegible]. The [illegible] cash and balances with central bank [illegible] People's Bank of China and Finance Company.

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Short-term borrowings

(1) Classification of short-term borrowings:

	Note	30 June 2017	31 December 2016
Guaranteed	(a)		
USD		**391,505**	2,938,354
RMB		**1,962,138**	937,852
EUR		**16,723**	61,487
Sub-total		**2,370,366**	3,937,693
Pledged	(b)		
RMB		**32,821**	59,902
Unsecured			
USD		**9,299,113**	7,427,465
EUR		**719,692**	478,076
GBP		**17,621**	178
RMB		**5,327,359**	3,613,782
AUD		**329**	2,296
SGD		**–**	39,006
JPY		**–**	7,169
Sub-total		**15,364,114**	11,567,972
Discounted Notes			
RMB		**178,447**	164,220
Total		**17,945,748**	15,729,787

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Short-term borrowings (Continued)

(1) Classification of short-term borrowings: (Continued)

(a) As at 30 June 2017, guarantee borrowings of the Group included the following: [illegible] Zhenhua Logistics Group Co., Ltd. (Zhenhua Group) amounting to USD324,000 (Equivalent to RMB2,195,000); [illegible] CIMC R[illegible] (Singapore) Co., Ltd. amounting to 1,400,138,000, USD33,962,000 (Equivalent to RMB230,096,000) and EUR2,158,000 (Equivalent to RMB16,723,000), guaranteed by the Group and China International Marine Containers (Hong Kong) Limited (CIMC Hong Kong); [illegible] C&C Trucks amounting to 450,000,000, [illegible] guaranteed by the Group; [illegible] Xi'an Hong [illegible] Co., Ltd. amounting to 112,000,000, guaranteed by CIMC Financing and Leasing Co., Ltd. (CIMCVL); CIMC Financing and Leasing Co., Ltd. (CIMCVL) amounting to USD23,500,000 (Equivalent to RMB159,214,000), guaranteed by the Group and CIMC Hong Kong.

(b) As at 30 June 2017, [illegible] of the Group [illegible] Bank of China [illegible] Finance Company, amounting to 32,821,000.

(c) As at 30 June 2017, [illegible] 5% (including 5%) [illegible] of the Group [illegible].

(d) As at 30 June 2017, [illegible] 1.30% to 6.09% (31 December 2016: 0.65% to 16.41%).

26. Financial liabilities at fair value through profit or loss

	Note	30 June 2017	31 December 2016
Current			

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Notes payable

	30 June 2017	31 December 2016
Bank acceptance notes	**872,925**	1,050,745
Trade acceptance notes	**380,250**	500,837
Total	**1,253,175**	1,551,582

The above notes are to be settled within one year.

28. Accounts payable

(1) The Group's accounts payable is as follows:

	30 June 2017	31 December 2016
[illegible]	**9,364,746**	8,303,845
[illegible]	**468,558**	461,925
[illegible]	**291,105**	259,029
[illegible]	**398,677**	658,048
[illegible]	**618,839**	150,029
[illegible]	**69,741**	135,159
[illegible]	**41,972**	129,178
Others	**91,540**	63,738
Total	**1,345,178**	10,160,951

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Accounts payable (Continued)

(1) The Group's accounts payable is as follows: (Continued)

The ageing analysis of accounts payable is as follows:

	30 June 2017	31 December 2016
Within 1 year (inclusive)	**10,710,275**	9,535,350
1 to 2 years (inclusive)	**337,357**	414,188
2 to 3 years (inclusive)	**179,384**	153,893
Over 3 years	**118,162**	57,520
Total	**11,345,178**	10,160,951

As at 30 June 2017, accounts payable with ageing over 1 year amounting to 634,903,000 (31 December 2016: 625,601,000) [illegible]

The ageing is calculated from the date when the accounts payable are recognised.

(2) As at 30 June 2017, there was no accounts payable owed to shareholders holding more than 5% (including 5%) of the voting rights of the Group. Accounts payable owed to related parties are as listed follows:

Company name	Relationship with the Group	30 June 2017 Amount	30 June 2017 % of total balance	31 December 2016 Amount	31 December 2016 % of total balance
Y&C Engine	Joint venture	**38,931**	**0.34%**	66,157	0.65%
TSC	Associate	**13,807**	**0.12%**	25,727	0.25%
Fujian [illegible] Co., Ltd.	Associate	**10,496**	**0.09%**	8,138	0.08%
Sh[illegible]	Minority shareholder of subsidiaries	**5,352**	**0.05%**	3,611	0.04%
N[illegible]	Associate	**2,732**	**0.02%**	2,435	0.02%
X[illegible] CIMC W[illegible] Co., Ltd.	Associate	**202**	**0.00%**	17,905	0.18%
A[illegible] Co., Ltd.	Minority shareholder of subsidiaries	**–**	**0.00%**	15,902	0.16%
Other related parties		**5,825**	**0.05%**	7,062	0.07%
Total		**77,345**	**0.67%**	146,937	1.45%

(All amounts in RMB'000 unless otherwise stated)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Accrued payroll (Continued)

(1) Short-term wages

	31 December 2016	Current year increase	Current year decrease	Exchange differences arising from translation of foreign operations	30 June 2017
Wages and salaries, bonuses, allowances and subsidies	1,699,319	2,516,308	(2,475,474)	4,252	**1,744,405**
Profit sharing and senior management bonuses	205,151	–	(8,951)	–	**196,200**
Housing funds	6,118	80,860	(80,906)	(30)	**6,042**
Labour union funds and employee education funds	62,236	27,129	(36,014)	(157)	**53,194**
Social security contributions	12,517	87,991	(77,504)	1	**23,004**
Including: Medical insurance	9,564	74,051	(65,053)	1	**18,563**
Work injury insurance	1,583	8,250	(7,850)	–	**1,983**
Maternity insurance	1,370	5,690	(4,601)	–	**2,458**
Other short-term wages	104,784	280,656	(334,802)	901	**51,539**
Total	2,090,125	2,992,944	(3,013,651)	4,967	**2,074,384**

(2) Defined contribution plans

	31 December 2016	Current year increase	Current year decrease	Exchange differences arising from translation of foreign operations	30 June 2017
Basic pension	21,455	205,171	(186,716)	5	**39,915**
Unemployment insurance	2,554	8,214	(5,724)	–	**5,043**
Enterprise annuities	147	1,109	(1,061)	–	**195**
Total	24,156	214,494	(193,501)	5	**45,153**

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Interest payable

	Note	30 June 2017	31 December 2016
[illegible]	IV.43	**203,985**	135,990
[illegible]		**79,273**	76,730
[illegible]		**218,242**	70,249
[illegible]		**31,928**	20,406
Total		**533,428**	303,375

33. Dividends payable

	30 June 2017	31 December 2016
[illegible]	**75,080**	16,746
[illegible]	**178,332**	–
Total	**253,412**	16,746

34. Other payables

(1) The analysis of the Group's other payables is as follows:

	Note	30 June 2017	31 December 2016
[illegible]		**2,595,693**	1,892,437
[illegible]		**1,555,619**	1,490,340
[illegible]		**543,228**	593,210
[illegible]		**500,826**	315,605
[illegible]		**136,633**	185,777
[illegible]		**82,243**	73,619
[illegible]	(3)	**72,786**	111,054
[illegible]		**27,483**	12,732
[illegible]		**4,452**	601
[illegible]		**1,712**	17,897
[illegible]		**773**	5,456
[illegible]		**–**	23,200
[illegible]		**605,931**	432,145
Total		**6,127,379**	5,154,073

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Other payables (Continued)

(2) Significant other payables aged over one year mostly consist of unsettled quality guarantee,

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Current portion of non-current liabilities

The Group's current portion of non-current liabilities are analysed by categories as follows:

	Note	30 June 2017	31 December 2016
Current portion of long-term borrowings	IV.38		
- Unsecured		**3,197,042**	3,401,313
- Guaranteed		**1,694,372**	124,397
		4,891,414	3,525,710
Current portion of long-term payables			
Finance lease payables		**114,537**	136,571
Less: Unrecognised financing charges		**(8,826)**	(15,826)
Finance lease payables, net	IV.40	**105,711**	120,745
Others		**18,376**	17,567
		124,087	138,312
Current portion of other non-current liabilities		**–**	3,850
Total		**5,015,501**	3,667,872

37. Other current liabilities

	Note	30 June 2017	31 December 2016
Commercial papers issued by the Group	(1)	**2,583,959**	1,666,966
Others		**28,321**	20,796
		2,612,280	1,687,762

(1) The Commercial papers are issued by CIMC Finance Holding Limited ("Finance") and CIMC HK, which are subsidiaries of the Group. As at 20 May 2016, Finance signed a short-term commercial paper agreement with The Bank of New York Mellon, Goldman Sachs and Bank of China (London Branch) in issuing commercial papers with a maximum of USD450 million which was guaranteed by the Company; As at the end of the period, the amount of outstanding commercial papers is USD318,000,000 (equivalent to RMB2,154,471,000); As at 21 December 2015, CIMC HK renewed the agreement with Bank of China and Bank of Tokyo-Mitsubishi UFJ Ltd in issuing commercial papers in the United States with USD600 million. As at 30 June 2017, the amount of outstanding 3-month commercial papers which was guaranteed by the Company is USD63,400,000 (equivalent to RMB429,488,000).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term borrowings

(1) Classification of long-term borrowings

	Note	30 June 2017	31 December 2016
Bank borrowings			
- Unsecured		**10,276,585**	11,496,937
- Mortgaged	(a)	**5,772,819**	6,260,830
- Guaranteed	(b)	**12,507,099**	12,791,165
		28,556,503	30,548,932
Less: Current portion of long-term bank borrowings			
- Unsecured		**3,197,042**	3,401,313
- Guaranteed	(b)	**1,694,372**	124,397
		4,891,414	3,525,710
Total		**23,665,089**	27,023,222

(a) As at 30 June 2017, [illegible] CIMC Financing and Leasing Co., Ltd. [illegible] mortgaged [illegible] the Group's [illegible].

(b) As at 30 June 2017, the Group's long-term guaranteed bank borrowings [illegible]: bank borrowings [illegible] USD1,489,000,000 (equivalent to RMB10,088,075,000) [illegible] the Company, [illegible] USD2,000,000 (equivalent to RMB13,550,000); bank loans of CIMCVL [illegible] USD352,157,000 (equivalent to RMB2,385,719,000), guaranteed by the Company and CIMC Hong Kong, [illegible] USD248,114,000 (equivalent to RMB1,680,822,000); bank borrowings of Xi'an Hong [illegible] Co., Ltd. [illegible] 25,787,000 guaranteed by Tianjin Hong [illegible] Co., Ltd.; bank borrowings of Dongguan CIMC Intelligent [illegible] Co., Ltd. [illegible] 7,518,000 guaranteed by the Company.

(2) No amount due to the shareholders who hold 5% or more of the voting rights of the Company or due to related parties is included in the above balance of long-term borrowings. (31 December 2016:Nil).

(3) As at 30 June 2017, the interest rate of long-term borrowing ranged from 1.20% to 6.37% (31 December 2016: 1.45% to 6.77%).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Debentures payable

	31 December 2016	Changes	**30 June 2017**

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Long-term payables

	30 June 2017	31 December 2016
Financial lease payables	**303,625**	323,920
Less: [illegible]	**(41,174)**	(34,723)
Financial lease payables, net	**262,451**	289,197
[illegible]	**120,789**	120,789
[illegible]	**100,635**	117,922
Others	**21,034**	1,464
Total	**504,909**	529,372

(1) Details of financial leasing payables

As at 30 June 2017, [illegible]

Minimum lease payments	30 June 2017	31 December 2016
Within 1 year (inclusive)	**114,537**	136,571
Over 1 year but within 2 years (inclusive)	**251,829**	287,267
Over 2 years but within 3 years (inclusive)	**12,352**	3,564
Over 3 years	**39,444**	33,089
Subtotal	**418,162**	460,491
Less: Unrecognised financing charges	**(50,000)**	(50,549)
Carrying amount	**368,162**	409,942

The Group [illegible]

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Deferred income (Continued)

(1) Government grants

Project name	31 December 2016	Current year increase	Recognised as other income	Other changes	30 June 2017	Related to assets/income
Yantai Raffles [illegible]	200,000	–	–	–	200,000	Related to assets
En[illegible]	184,253	–	3,566	–	180,687	Related to assets
En[illegible]	80,396	–	1,735	–	78,661	Related to assets
Shenzhen CIMC Vehicle [illegible]	54,052	–	651	–	53,401	Related to assets
Ningbo CIMC [illegible]	38,000	–	–	–	38,000	Related to income
C&C Trucks [illegible]	30,000	–	–	–	30,000	Related to assets
TAS [illegible]	28,291	4,220	803	–	31,708	Related to assets
Yantai Raffles [illegible] Drilling Platform (Bohai) [illegible]	26,504	–	–	–	26,504	Related to income
Taicang CIMC [illegible] Co., Ltd.	11,396	–	152	–	11,244	Related to assets
TCCIMC [illegible]	9,862	–	131	–	9,731	Related to assets
CQLE [illegible]	8,021	–	100	–	7,921	Related to income
Zhenhai [illegible]	7,844	–	450	–	7,394	Related to assets
S[illegible] CCHQ	8,000	–	917	–	7,083	Related to assets
TAS [illegible]	7,348	–	351	–	6,997	Related to assets
MEA-[illegible]	6,301	–	–	–	6,301	Related to income
En[illegible] (FPSO) [illegible] South China Sea	6,000	–	–	–	6,000	Related to assets
MEA [illegible]	5,520	–	460	–	5,060	Related to assets
KGR R&D [illegible]	4,270	–	112	–	4,158	Related to assets
T[illegible]	2,256	–	113	–	2,143	Related to assets
TAS [illegible]	886	–	48	–	838	Related to assets
G[illegible] XHCIMCS	17,362	–	17,362	–	–	Related to assets
G[illegible] Xinhui [illegible]	10,764	–	10,764	–	–	Related to assets
Others	82,416	40,480	6,909	–	115,987	Related to assets/income
Total	829,742	44,700	44,624	–	829,818	

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other non-current liabilities

	Note	30 June 2017	31 December 2016
[illegible]	(1)(2)	**1,549,826**	1,549,826
[illegible]	IV.5(7)( )	**487,632**	487,632
[illegible]	(3)	**73,421**	73,421
[illegible]		**11,576**	12,677
Others		**114,359**	-
Total		**2,236,814**	2,123,556

(1) [illegible] 18 December 2015, Shanghai [illegible] (LLP), [illegible] Shenzhen Dongfeng-S[illegible] Co., Ltd. [illegible] CIMC [illegible] China [illegible] Shenzhen [illegible] Co., Ltd. [illegible] China [illegible] (Hong Kong) Limited [illegible]; in June 2016, [illegible] USD166,173,000 [illegible] RMB1,089,580,000), USD15,233,000 [illegible] RMB100,000,000); In December 2015, [illegible] USD9,288,117 [illegible] RMB60,246,000, [illegible] 100,000,000 [illegible] 16.822%, 1.544%, 0.929% and 1.544% [illegible] IPO [illegible] 31 December 2020, [illegible] Shenzhen Dongfeng-S[illegible] Co., Ltd.) [illegible] (b) [illegible] 8% [illegible].

[illegible] As at 30 June 2017, [illegible] 1,249,826,000 (31 December 2016: 1,249,826,000).

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Share capital

	31 December 2016 '000	Current increase '000	Current decrease '000	Change of shares by selling restriction '000	**30 June 2017 '000**
Shares subject to trading restriction					
– Held by senior management	699	29	–	–	**728**
Shares not subject to trading restriction					
– RMB denominated ordinary shares	1,261,301	1,747	–	–	**1,263,048**
– Foreign shares listed overseas	1,716,577	–	–	–	**1,716,577**
Total	2,978,577	1,776	–	–	**2,980,353**

	31 December 2015 '000	Current increase '000	Current decrease '000	Change of shares by selling restriction '000	31 December 2016 '000
Shares subject to trading restriction					
– Held by senior management	866	21	–	(188)	699
Shares not subject to trading restriction					
– RMB denominated ordinary shares	1,260,377	736	–	188	1,261,301
– Foreign shares listed overseas	1,716,577	–	–	–	1,716,577
Total	2,977,820	757	–	–	2,978,577

The par value of each share is RMB1.00.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other equity instruments

	31 December 2016	[illegible]	[illegible]	[illegible]	30 June 2017
[illegible]	2,049,035	-	35,908	(103,800)	**1,981,143**

	31 December 2015	[illegible]	[illegible]	[illegible]	31 December 2016
[illegible]	2,033,043	-	119,792	(103,800)	2,049,035

[illegible] 16 June 2015, [illegible] 2,000 million. [illegible] 1,981,143,000 [illegible]. [illegible] 5.19% [illegible] 3 [illegible] 16 June 2018 [illegible].

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus

	31 December 2016	Current period additions	Current period decreases	**30 June 2017**
Share premium	3,590,421	29,310	–	**3,619,731**
Other capital surplus:				
– [illegible]	692	–	–	**692**
– Donation of non-cash assets	257	–	–	**257**
– Equity-settled share-based payment	420,004	6,778	(12,103)	**414,679**
– Capital surplus [illegible]	15,967	70	–	**16,037**
– Capital surplus [illegible] shareholders [illegible]	435,101	3,428	–	**438,529**
– [illegible]	900,031	–	–	**900,031**
– Capital surplus [illegible]	(42,696)	–	–	**(42,696)**
– Capital surplus [illegible] shareholders [illegible]	(246,669)	–	(78,103)	**(324,772)**
– Capital surplus [illegible] shareholders [illegible]	(58,964)	–	–	**(58,964)**
– [illegible]	(406,795)	–	–	**(406,795)**
– Capital surplus [illegible]	(51,925)	–	–	**(51,925)**
– [illegible] shareholders [illegible]	(1,549,826)	–	–	**(1,549,826)**
Others	120,987	–	–	**120,987**
Total	3,126,585	39,586	(90,206)	**3,075,965**

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Capital surplus (Continued)

	31 December 2015	[illegible]	[illegible]	31 December 2016
Share premium	3,577,648	12,773	–	3,590,421
Other capital surplus:				
– [illegible]	692	–	–	692
– [illegible]	257	–	–	257
– [illegible]	402,887	22,316	(5,199)	420,004
– [illegible]	14,275	1,692	–	15,967
– [illegible]	207,660	227,441	–	435,101
– [illegible]	899,128	903	–	900,031
– [illegible]	(42,696)	–	–	(42,696)
– [illegible]	(224,430)	–	(22,239)	(246,669)
– [illegible]	(58,964)	–	–	(58,964)
– [illegible]	(406,795)	–	–	(406,795)
– [illegible]	(51,925)	–	–	(51,925)
– [illegible]	(1,249,826)	–	(300,000)	(1,549,826)
Others	113,952	7,035	–	120,987
Total	3,181,863	272,160	(327,438)	3,126,585

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Surplus reserve

	31 December 2016	Current period increase	Current period decrease	30 June 2017
Statutory surplus reserve	1,489,287	–	–	**1,489,287**
Discretionary surplus reserve	1,790,092	–	–	**1,790,092**
Total	3,279,379	–	–	**3,279,379**

	31 December 2015	Current year increase	Current year decrease	31 December 2016
Statutory surplus reserve	1,413,486	75,801	–	1,489,287
Discretionary surplus reserve	1,790,092	–	–	1,790,092
Total	3,203,578	75,801	–	3,279,379

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit (excluding the share of profit of the Company) to the statutory surplus reserve, and the Company can stop appropriation when the statutory surplus reserve accumulated to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or increase the paid in capital after approval.

The Company appropriates discretionary surplus reserve after the shareholders' meeting approves the proposal from the Board of Directors. The discretionary surplus reserve can be used to make up for the loss or increase the paid in capital after approval.

49. Undistributed profits

	Note	30 June 2017	31 December 2016
Undistributed profits at beginning of the period		**17,495,053**	17,805,808
Add: Net profit for the period attributable to shareholders of the Company		**796,898**	539,660
Less: Interest on perpetual bonds		**(35,908)**	(119,792)
Less: Appropriation to statutory surplus reserve		**–**	(75,801)

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IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Undistributed profits (Continued)

(1) Dividends of ordinary shares declared during the period

	30 June 2017	31 December 2016
[illegible]	–	[illegible]
Total amount of dividends declared	179,835	654,822

In accordance with the shareholders' resolution at the Annual General Meeting of the Company on 9 June 2017, the Company declared cash dividends to ordinary shareholders of RMB0.06 per share on 20 July 2017 (2016: 0.22 per share), totalling 179,835,000 (2016: 654,822,000).

50. Revenue and cost of sales

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Revenue from main operations	32,656,928	22,828,212
Revenue from other operations	730,224	714,631
Total	33,387,152	23,542,843
Cost of sales from main operations	26,911,617	18,795,869
Cost of sales from other operations	329,947	330,627
Total	27,241,564	19,126,496

The Group's revenue from the top five customers is less than 10% of the total revenue.

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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Revenue and cost of sales (Continued)

(1) Revenue and cost of sales from main operations by industries and by products

[illegible]	For the Period from 1 January to 30 June 2017 Revenue from main operations	For the Period from 1 January to 30 June 2017 Cost of sales from main operations	For the Period from 1 January to 30 June 2016 Revenue from main operations	For the Period from 1 January to 30 June 2016 Cost of sales from main operations
[illegible]	**9,596,787**	**7,944,171**	4,403,976	4,028,151
[illegible]	**9,456,259**	**7,813,816**	6,807,849	5,586,799
[illegible]	**4,825,819**	**4,021,439**	4,180,940	3,372,051
[illegible]	**500,245**	**461,813**	950,752	822,464
[illegible]	**1,147,629**	**932,468**	1,096,364	886,690
[illegible]	**3,725,556**	**3,242,929**	3,149,543	2,763,476
[illegible]	**1,145,113**	**498,703**	1,113,604	366,336
[illegible]	**268,322**	**160,685**	203,751	100,269
[illegible]	**1,238,678**	**1,166,396**	790,779	771,101
Others	**752,520**	**669,197**	130,654	98,532
Total	**32,656,928**	**26,911,617**	22,828,212	18,795,869

(2) Revenue and cost of sales from main operations by locations

	For the Period from 1 January to 30 June 2017 Revenue from main operations	For the Period from 1 January to 30 June 2017 Cost of sales from main operations	For the Period from 1 January to 30 June 2016 Revenue from main operations	For the Period from 1 January to 30 June 2016 Cost of sales from main operations
P.R.China	**27,745,363**	**22,723,465**	19,344,042	15,845,823
Europe	**2,752,566**	**2,371,653**	1,244,670	1,041,609
America	**1,649,559**	**1,394,104**	1,803,907	1,515,328
Asia (excluding P.R.China)	**378,592**	**317,409**	308,619	282,794
Others	**130,848**	**104,986**	126,974	110,315
Total	**32,656,928**	**26,911,617**	22,828,212	18,795,869

[illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Revenue and cost of sales (Continued)

(3) Revenue and cost of sales from other operations

	For the Period from 1 January to 30 June 2017		For the Period from 1 January to 30 June 2016	
	Revenue from other operations	**Cost of sales from other operations**	Revenue from other operations	Cost of sales from other operations
[illegible]	**532,435**	**239,624**	580,116	226,095
[illegible]	**197,789**	**90,323**	134,515	104,532
Total	**730,224**	**329,947**	714,631	330,627

51. Taxes and surcharges

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016	Tax basis
Business tax	**4,412**	24,768	3%, 5% of revenue
City maintenance and construction tax	**44,238**	85,368	7% of VAT and business tax
Land appreciation tax	**17,849**	12,290	[illegible]
Education surcharge	**35,470**	62,541	3%, 5% of VAT and business tax
Others	**114,214**	9,269	
Total	**216,183**	194,236	

52. Selling and distribution expenses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. General and administrative expenses

	For the Period from 1 January to 30 June 2017	[illegible] 1 J[illegible] 30 J[illegible] 2016
[illegible]	**1,004,200**	783,266
[illegible]	**288,459**	230,097
[illegible]	**165,200**	49,872
[illegible]	**134,408**	149,922
[illegible]	**113,415**	99,409
[illegible]	**110,796**	97,258
[illegible]	**75,806**	63,119
[illegible]	**49,006**	30,969
[illegible]	**34,293**	127,122
[illegible]	**9,583**	19,889
[illegible]	**382,873**	331,378
[illegible]	**2,368,039**	1,982,301

54. Financial expenses-net

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Expenses by nature

Cost of sales, selling expenses, general and administrative expenses and finance expenses in the income statement by nature are listed as follows:

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Finished goods and work-in-progress movement	(741,628)	(244,984)
Consumption of raw materials and low-value consumables	24,492,423	16,685,627
Salaries and wages	3,216,847	2,129,005
Depreciation and amortisation	1,152,911	1,242,346
Shipping and handling charges	560,202	411,149
Finance expenses	594,251	304,944
Rental	130,874	130,385
Technology development costs	288,459	230,097
Processing and packing expense	294,912	211,604
Power expenses	283,549	180,553
Selling related expenses	149,651	57,393
Other expenses, in main operating costs	164,295	234,324
Other expenses, in selling and distribution expenses	209,567	291,869
Other expenses, in general and administrative expenses	663,795	585,558
	31,460,108	22,449,870

56. Profit/(Loss) from changes in fair value

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Financial assets at fair value through profit or loss		
- Changes in fair value during the period		
1. Profit from changes in fair value of derivative financial instruments not designated as hedging	29,834	944
2. Profit/(Loss) from changes in fair value of trading financial instruments	(73,769)	(136,647)
- Profit/(Loss) from derecognition of financial assets at fair value through profit or loss	1,830	141,409
Sub-total	(42,105)	5,706
Financial liabilities at fair value through profit or loss		
- Changes in fair value during the period		
1. Profit/(Loss) from changes in fair value of derivative financial instruments	9,479	131,398
Total	(32,626)	137,104

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Investment income

Investment income by categories

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
(Losses)/investment income from disposal of financial assets at fair value through profit or loss	**(1,830)**	(141,409)
Investment income earned during holding of available-for-sale financial assets	**4,106**	8,855
Investment income from disposal of available-for-sale financial assets	**533**	7,714
Investment income from long-term equity investments under equity method	**2,538**	13,800
Investment income from disposal of long-term equity investments	**(25,460)**	23,712
Others	**9,485**	–
Total	**(10,628)**	(87,328)

58. Asset impairment losses

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Accounts receivable	**25,988**	14,445
[illegible]	**6,675**	–
Other receivables	**141,923**	343,501
Inventories	**(3,521)**	6,962
Current portion of non-current assets	**97,401**	153,029
Long-term receivables	**(35,563)**	(129,164)
Other non-current assets	**–**	178,634
Fixed assets	**1,534**	94
[illegible]	**–**	700,000
Total	**234,437**	1,267,501

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Other Income

	For the Period from 1 January to 30 June 2017
Financial subsidies	57,088
[illegible]	27,472
Others	6,472
Total	91,032

60. Non-operating income

(1) Non-operating income by categories:

	For the Period from 1 January to 30 June 2017

(All amounts in RMB'000 unless otherwise stated)

[redacted]L STATEMENTS (CONTINUED)

[redacted]

[redacted]	**For the Period from 1 January to 30 June 2017**	For the period from 1 January to 30 June 2016	Amount [illegible] In [illegible] ng [illegible] for the period from 1 January to 30 June 2017
[redacted]	**17,388**	9,485	17,388
[redacted]	**17,388**	9,485	17,388
[redacted]	**–**	–	–
[redacted]	**352**	393	352
[redacted]	**1,699**	380	1,699
[redacted]	**11,486**	989	11,486
[redacted]	**679**	664	679
[redacted]	**800**	2,234	800
[redacted]	**32,404**	14,145	32,404

[redacted]	**For the Period from 1 January to 30 June 2017**	For the period from 1 January to 30 June 2016
[redacted]		

Notes to the Financial Statements

[illegible] 30 June 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses (Continued)

[illegible]:

	For the Period from 1 January to 30 June 2017	[illegible] 30 June 2016
P[illegible]	**1,576,142**	(165,844)
[illegible]	**395,233**	338,676
E[illegible]	**(63,499)**	(46,248)
E[illegible]	**20,714**	32,243
O[illegible]	**(90,621)**	(74,525)
U[illegible]	[illegible]	[illegible]

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Earnings per share (Continued)

(2) Diluted earnings per share

D[illegible]l[illegible] [illegible]n ng[illegible] [illegible]h[illegible] [illegible] C[illegible]n [illegible] j[illegible] [illegible] [illegible]n [illegible]h[illegible] [illegible] j[illegible] gh[illegible] [illegible]g n [illegible] [illegible]n [illegible]h[illegible] [illegible]n ng:

	For the Period from 1 January to 30 June 2017	F[illegible] 1 J[illegible]n [illegible] 30 J[illegible] 2016
C[illegible] [illegible]h[illegible] [illegible] C[illegible]n	**796,898**	(378,034)
In[illegible] ng [illegible]	**(35,908)**	(51,900)
E[illegible] [illegible]h[illegible] [illegible]	**(1,371)**	–
C[illegible] ([illegible]j[illegible]) [illegible] [illegible]n [illegible]h[illegible] C[illegible]n	**759,619**	(429,934)
W[illegible]gh[illegible] [illegible]g n [illegible] [illegible]n [illegible]h[illegible] [illegible]n ng ([illegible]) ('000) ([illegible]j[illegible])	**2,986,410**	2,978,120
D[illegible] n ng[illegible] [illegible]h[illegible] (RMB/[illegible]h[illegible])	**0.2544**	(0.1444)

( ) [illegible] ([illegible])

	For the Period from 1 January to 30 June 2017	F[illegible] 1 J[illegible]n [illegible] 30 J[illegible] 2016
W[illegible]gh[illegible] [illegible]g n [illegible] [illegible]n [illegible]h[illegible] [illegible]n ng ('000)	**2,979,059**	2,978,120
E[illegible] [illegible]h[illegible] ('000)	**7,351**	–
W[illegible]gh[illegible] [illegible]g n [illegible] [illegible]n [illegible]h[illegible] [illegible]n ng ([illegible]) ('000)	**2,986,410**	2,978,120

Th[illegible] C[illegible]n [illegible] h[illegible] [illegible]g n 60,000,000 [illegible]h[illegible] (2.01% [illegible] [illegible]h[illegible] 2,980,352,786) [illegible] n [illegible] n [illegible] N[illegible] IX [illegible] F.

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Notes to the consolidated cash flow statement (Continued)

(4) Cash received related to other financing activities

	For the Period from 1 January to 30 June 2017	[illegible] 30 [illegible] 2016
[illegible]	**81,616**	22,272
[illegible]	**–**	98,104
[illegible]	**81,616**	120,376

65. Information to cash flow statement

(1) Supplementary information to the consolidated cash flow statement

( ) [illegible]

	For the Period from 1 January to 30 June 2017	[illegible] 30 [illegible] 2016
[illegible]	**1,066,509**	(541,160)
[illegible]	**234,437**	1,267,501
[illegible]	**916,498**	1,056,717
[illegible]	**175,734**	121,062
[illegible]	**60,679**	64,902

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Information to cash flow statement (Continued)

(1) Supplementary information to the consolidated cash flow statement (Continued)

[illegible]

	For the Period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
Cash and cash equivalents at the end of the period	**5,940,423**	4,310,559
Less: Cash and cash equivalents at the beginning of the period	**6,338,667**	3,259,123
Net (decrease)/increase in cash and cash equivalents	**(398,244)**	1,051,436

(2) Information on acquisition of subsidiaries and other business units during the period

	For the Period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
I. Information on acquisition of subsidiaries and other business units:		
Cash and cash equivalents paid for the acquisition	**5,000**	965,028
Less: Cash and cash equivalents held by subsidiaries and other business units at acquisition date	**–**	200,451
Net cash paid for the acquisition	**5,000**	764,577

(3) Cash and cash equivalents

	For the Period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016
I. Cash		
Including: Cash on hand	**155,947**	3,420
Cash at bank that can be readily drawn on demand	**4,686,435**	4,074,994
Other monetary funds that can be readily drawn on demand	**77,875**	232,145
II. [illegible] Finance Company [illegible]	**1,020,166**	[illegible]
III. Cash and cash equivalents at the end of the period	**5,940,423**	4,310,559

Note: [illegible]

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Monetary items denominated in foreign currency

	30 June 2017		
	Functional currency (in thousands)	**Exchange Rate**	**in RMB**
Monetary funds			
USD	**120,552**	**6.7744**	**816,665**
HKD	**289,640**	**0.8679**	**251,384**
AUD	**15,237**	**5.2099**	**79,381**
THB	**Monetary fund – USD**	0.8679 **65**	**Monetary fund –**

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
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(English Translation for Reference Only)

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Monetary items denominated in foreign currency (Continued)

	30 June 2017		
	Functional currency (in thousands)	Exchange Rate	in RMB
Short-term borrowings:			
USD	1,430,476	6.7744	9,690,618
EUR	95,026	7.7496	736,415
GBP	1,999	8.8144	17,621
AUD	63	5.2099	329
			10,444,983
Accounts payable:			
USD	237,138	6.7744	1,606,467
HKD	49,007	0.8679	42,534
EUR	83,320	7.7496	645,695
AUD	8,929	5.2099	46,517
THB	2,532	5.0155	12,700
Others			709,653
			3,063,566
Other payables:			
USD	190,769	6.7744	1,292,347
HKD	13,687	0.8679	11,879
JPY	98,008	0.0605	5,928
EUR	8,211	7.7496	63,630
AUD	1,004	5.2099	5,233
THB	367	5.0155	1,840
Others			257,379
			1,638,236
Long-term borrowings:			
USD	3,267,834	6.7744	22,137,615
HKD	248,000	0.8679	215,244
Others			397,237
			22,750,096
Long-term payables:			
USD	29,264	6.7744	198,246

V. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Business combinations involving enterprises not under common control

[illegible]

2. Disposal of subsidiaries

[illegible]

VI. EQUITY IN OTHER ENTITIES

1. Equity in subsidiaries

[illegible]

[illegible]

Notes to the Financial Statements

For the six months ended 30 June 2017
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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
1	Shenzhen Southern CIMC Containers Manufacture Co., Ltd. (SCIMC)	Business	Shenzhen, Guangdong					

(All amounts in RMB'000 unless otherwise stated)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
9	Yangzhou Runyang Logistics Equipment Co., Ltd. (YZRYL)	Business combination	Yangzhou, Jiangsu	Yangzhou, Jiangsu	[illegible]	USD20,000,000	-	100.00%
10	Shanghai CIMC Yangshan Logistics Equipment Co., Ltd. (SHYSLE)	Business combination	Shanghai	Shanghai	[illegible]	USD29,480,000	-	100.00%
11	Shanghai CIMC Reefer Containers Co., Ltd. (SCRC)	Business combination	Shanghai	Shanghai	[illegible]	USD31,000,000	72.00%	20.00%
12	Nantong CIMC Special Transportation Equipment Manufacture Co., Ltd. (NTCIMCS)	Business combination	Nantong, Jiangsu	Nantong, Jiangsu	[illegible]	USD10,000,000	-	71.00%
13	Xinhui CIMC Special Transportation Equipment Co., Ltd. (XHCIMCS)	Business combination	Jiangmen, Guangdong	Jiangmen, Guangdong	[illegible]	USD65,499,000	19.01%	80.99%
14	Nantong CIMC Tank Equipment Co., Ltd. (NTCIMCT)	Business combination	Nantong, Jiangsu	Nantong, Jiangsu	[illegible]	USD35,000,000	-	70.79%
15	Dalian CIMC Railway Equipment Co., Ltd. (DLCIMCS)	Business combination	Dalian, Liaoning	Dalian, Liaoning	[illegible]	USD20,000,000	55.00%	45.00%
16	Nantong CIMC Large Tank Co., Ltd.	Business combination	Nantong, Jiangsu	Nantong, Jiangsu	[illegible]	USD47,700,000	-	70.79%
17	Shenzhen CIMC Special Vehicle Co., Ltd. (CIMCSV)	Business combination	Shenzhen, Guangdong	Shenzhen, Guangdong	[illegible]	RMB200,000,000	-	63.33%

Notes to the Financial Statements

F [illegible] 1 J n [illegible] 30 J [illegible] 2017
(All [illegible] n RMB'000 [illegible])
(Engl [illegible] h T [illegible] Onl [illegible])

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
18	Q ng [illegible] CIMC [illegible] C [illegible]., L . (QDSV)	B [illegible] n	Q ng [illegible], Sh n [illegible] ng	Q ng [illegible], Sh n [illegible] ng	[illegible]	RMB62,880,000	44.34%	35.25%
19	F [illegible] h n CIMC [illegible] C [illegible]., L (F [illegible] h n L [illegible])	B [illegible] n	F [illegible] h n, G ng [illegible] ng	F [illegible] h n, G ng [illegible] ng	[illegible]	RMB3,000,000	–	100.00%
20	Sh ngh CIMC [illegible] L [illegible] E [illegible] n [illegible] C [illegible]., L . (SHL)	B [illegible] n	Sh ngh	Sh ngh	[illegible]	RMB90,204,100	–	63.33%
21	Sh [illegible] n CIMC W [illegible] C [illegible]., L . (CIMC W [illegible])	B [illegible] n	Sh [illegible] n, G ng [illegible] ng	Sh [illegible] n, G ng [illegible] ng	[illegible]	RMB30,000,000	12.00%	88.00%
22	CIMC [illegible] (L [illegible] n ng) C [illegible]., L . (LNVS)	B [illegible] n	Y ng [illegible], L [illegible] n ng	Y ng [illegible], L [illegible] n ng	[illegible]	RMB60,000,000	–	63.33%
23	T nj n P [illegible] CIMC Z [illegible] nh L [illegible] C [illegible]., L . (T nj n P [illegible] CIMC)	B [illegible] n	T nj n	T nj n	[illegible]			

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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
26	Xinhui CIMC [illegible] Co., LTD (XHCM)	Business	Jiangmen, Guangdong	Jiangmen, Guangdong	[illegible]	RMB129,000,000	–	63.33%
27	Qingdao CIMC [illegible] Co., Ltd. (QDHB)	Business	Qingdao, Shandong	Qingdao, Shandong	[illegible]	RMB137,930,000	–	63.33%
28	Shanghai CIMC [illegible] Co., Ltd. (SHCIMCV)	Business	Shanghai	Shanghai	[illegible]	RMB10,000,000	–	63.33%
29	CIMC [illegible] Co., Ltd. (CIMCVL)	Business	Shenzhen, Guangdong	Shenzhen, Guangdong	[illegible]			

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
34	Inner Mongolia Hulunbuir CIMC Wood Co., Ltd. (NMGW)	[illegible]	Inner Mongolia	Inner Mongolia	[illegible]	RMB259,520,000	-	100.00%
35	J[illegible]ng CIMC Wood Co., Ltd. (JXW)	[illegible]	J[illegible]ng, Zhejiang	J[illegible]ng, Zhejiang	[illegible]	USD5,000,000	-	100.00%
36	Shenzhen Southern CIMC Containers Service Co., Ltd. (SCIMCL)	[illegible]	Shenzhen, Guangdong	Shenzhen, Guangdong	[illegible]	USD5,000,000	-	100.00%
37	Ningbo CIMC Container Service Co., Ltd. (NBCIMCL)	[illegible]	Ningbo, Zhejiang	Ningbo, Zhejiang	[illegible]	RMB30,000,000	-	100.00%
38	CIMC Sh[illegible]n, D[illegible]l[illegible]n Co., Ltd. (CIMC SD)	[illegible]	Shanghai	Shanghai	[illegible]	RMB204,123,000	98.53%	1.47%
39	CIMC V[illegible] (Xinjiang) Co., Ltd. (SJ4S)	[illegible]	Urumqi, Xinjiang	Urumqi, Xinjiang	[illegible]	RMB80,000,000	-	63.33%
40	CIMC V[illegible] (Group) Co., Ltd. (HI)	[illegible]	Shenzhen, Guangdong	Shenzhen, Guangdong	[illegible]	USD212,225,100	44.33%	19.00%
41	Qingdao CIMC S[illegible] R[illegible] Co., Ltd. (QDCSR)	[illegible]	Qingdao, Shandong	Qingdao, Shandong	[illegible]	USD39,184,100	-	100.00%
42	Tianjin CIMC Logistics Equipments Co., Ltd. (TJCIMCLE)	[illegible]	Tianjin	Tianjin	[illegible]	USD10,000,000	-	83.50%

Notes to the Financial Statements

For the six months from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
43	Dalian CIMC Logistics Equipment Co., Ltd. (DLL)	Business entity	Dalian, Liaoning	Dalian, Liaoning	Design, manufacture, [illegible]	USD14,000,000	-	100.00%
44	Chongqing CIMC Logistics Equipment Co., Ltd. (CQLE)	Business entity	Chongqing	Chongqing	Design, manufacture, [illegible]	USD8,000,000	75.00%	25.00%
45	Dalian CIMC [illegible] Logistics Equipment Co., Ltd. (DLZH)	Business entity	Dalian, Liaoning	Dalian, Liaoning	[illegible] design, manufacture, [illegible]	USD45,170,000	62.70%	37.30%
46	Shenzhen CIMC Intelligent Technology Co., Ltd. (CIMC Tech)	Business entity	Shenzhen, Guangdong	Shenzhen, Guangdong	Design, [illegible]	RMB66,388,889	62.96%	9.04%
47	CIMC [illegible] Logistics Co., Ltd. (TCCRC)	Business entity	Taicang, Jiangsu	Taicang, Jiangsu	[illegible]	RMB450,000,000	-	100.00%
48	[illegible] CIMC [illegible] Co., Ltd. (HNW)	Business entity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
51	CIMC Management Training (Shenzhen) Co., Ltd. (CIMC Training)	Business	Shenzhen, Guangdong	Shenzhen, Guangdong				

Name	Category	Registration Place	Main Premises

Notes to the Financial Statements

[illegible] 1 January [illegible] 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
69	CIMC Container Holding Co., Ltd. (Container Holding)	Business	Shenzhen, Guangdong	Shenzhen, Guangdong	[illegible]	RMB2,736,915,400	100.00%	-
70	Chongqing CIMC Logistics Equipment Co., Ltd. (Chongqing Logistics Equipment)	Business	Chongqing, Sichuan	Chongqing, Sichuan	[illegible]	RMB15,000,000	-	63.33%
71	Shaanxi CIMC Vehicle Industrial Garden (Shaanxi Vehicle Garden)	Business	Xianyang, Shaanxi	Xianyang, Shaanxi	[illegible]	RMB80,000,000	-	63.33%
72	CIMC Holdings (B.V.I.) Limited (CIMC BVI)	Business	Jiangmen, Guangdong	Jiangmen, Guangdong	[illegible]	RMB150,000,000	-	100.00%
73	CIMC Modular Building Design & Development Co. Ltd. (Modular Design)	Business	Jiangmen, Guangdong	Jiangmen, Guangdong	Design of modular building [illegible]	RMB50,000,000	-	87.40%
74	CIMC Cold Chain Research Technology Co., Ltd. (Cold Chain Research Tech)	Business	Qingdao, Shandong	Qingdao, Shandong	[illegible]	RMB50,000,000	-	100.00%
75	CIMC Cold Chain Investment Co. Ltd. (Cold Chain Investment)	Business	Qingdao, Shandong	Qingdao, Shandong	[illegible]	RMB979,000,000	-	100.00%
76	Shenyang CIMC Industrial Park Investment and Development Co., Ltd. (Shenyang Vehicle Garden)	Business	Shenyang, Liaoning	Shenyang, Liaoning	Investment management, [illegible]	RMB50,000,000	-	63.33%
77	Shenzhen [illegible] CIMC Logistics System Engineering Co Ltd ([illegible] Logistics)	Business	Shenzhen, Guangdong	Shenzhen, Guangdong	[illegible]	RMB60,000,000	-	54.70%

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For the period from 1 January to 30 June 2017
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(English Translation for Reference Only)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
78	Dongguan C[illegible] Innovation [illegible] Park Development Co., Ltd. (Dongguan [illegible])	[illegible]	Dongguan, Guangdong					

Notes to the Financial Statements

[illegible] 30 [illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
87	[illegible] CIMC [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	RMB10,000,000	,	82.00%
88	Anh[illegible]	[illegible]	[illegible] Anh[illegible]	[illegible] Anh[illegible]	[illegible]	RMB158,000,000	,	66.24%
89	[illegible]	[illegible]	T[illegible]nj[illegible]n	T[illegible]nj[illegible]n	[illegible]	RMB85,761,300	,	75.00%
90	[illegible] CIMC [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	RMB80,000,000	,	54.70%
91	CIMC [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	RMB20,000,000	,	32.82%
92	[illegible] GmbH [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	EUR1,500,000	,	60.00%
93	[illegible] CIMC [illegible] LTD [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	RMB10,000,000	,	54.72%
94	[illegible] CIMC [illegible] LTD	[illegible]	[illegible]	[illegible]	[illegible]	RMB137,844,600	,	50.78%
95	[illegible] CIMC [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	RMB20,000,000	,	70.73%

Notes to the Financial Statements

For the [illegible] 30 June 2017
(All [illegible] RMB'000 [illegible])
(English [illegible])

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
96	D[illegible]ngg[illegible]n CIMC [illegible] Co., L[illegible]. (D[illegible]ngg[illegible]n CIMC [illegible])	[illegible]	D[illegible]ngg[illegible]n, G[illegible]ng[illegible]ng	D[illegible]ngg[illegible]n, G[illegible]ng[illegible]ng	[illegible]	RMB200,000,000	-	63.33%
97	G[illegible]ng[illegible]ng CIMC [illegible] G[illegible]n ([illegible])	[illegible]	D[illegible]ngg[illegible]n, G[illegible]ng[illegible]ng	D[illegible]ngg[illegible]n, G[illegible]ng[illegible]ng	[illegible]	RMB30,000,000	100%	-
98	[illegible] (T[illegible]nj[illegible]n) [illegible] Co., LTD ([illegible])	[illegible]	T[illegible]nj[illegible]n	T[illegible]nj[illegible]n	[illegible]	RMB79,475,000	-	75.00%
99	CIMC [illegible] Co., LTD (J[illegible] CIMC [illegible])	[illegible]	J[illegible], G[illegible]ng[illegible]ng	J[illegible], G[illegible]ng[illegible]ng	[illegible]	RMB50,000,000	-	100.00%
100	Sh[illegible]n CIMC [illegible] Co., L[illegible]. (Sh[illegible]n [illegible])	[illegible]	Sh[illegible]n, G[illegible]ng[illegible]ng	Sh[illegible]n, G[illegible]ng[illegible]ng	[illegible]	RMB152,500,000	-	63.33%
101	CIMC M[illegible] L[illegible] Co., L[illegible]. (M[illegible] L[illegible])	[illegible]	T[illegible]nj[illegible]n	T[illegible]nj[illegible]n	[illegible] CIQ [illegible]	RMB1,049,226,700	100.00%	-
102	D[illegible]ngg[illegible]n S[illegible]n CIMC L[illegible] E[illegible] M[illegible] Co., L[illegible]. (D[illegible]ngg[illegible]n S[illegible]n CIMC)	[illegible]	D[illegible]ngg[illegible]n, G[illegible]ng[illegible]ng	D[illegible]ngg[illegible]n, G[illegible]ng[illegible]ng	[illegible]	RMB600,000,000	-	100.00%
103	N[illegible]ngb[illegible] CIMC C[illegible] M[illegible] Co., L[illegible]. (N[illegible]ngb[illegible] C[illegible] M[illegible])	[illegible]	N[illegible]ngb[illegible]	N[illegible]ngb[illegible]	[illegible]	RMB500,000,000	-	100.00%
104	Sh[illegible]n CIMC [illegible] Co., LTD ([illegible])	[illegible]	Sh[illegible]n	Sh[illegible]n	E[illegible]	RMB50,000,000	-	100.00%

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
105	Shenzhen Taihe Zhiye Investment Co., LTD (Shenzhen Taihe Zhiye)	[illegible]	Shenzhen	Shenzhen	Investment holding	RMB30,000,000	,	66.24%
106	[illegible] Co., LTD ([illegible])	[illegible]	Jiangmen	Jiangmen	[illegible]	RMB31,800,000	19.01%	80.99%
107	Yangzhou CIMC [illegible] Co., Ltd. (Yangzhou [illegible])	[illegible]	Yangzhou	Yangzhou	[illegible]	RMB25,000,000	,	82.00%
108	Yangzhou CIMC [illegible] Co., Ltd. (Yangzhou [illegible])	[illegible]	Yangzhou	Yangzhou	[illegible]	RMB25,000,000	,	82.00%
109	Yangzhou CIMC [illegible] Investment Co., Ltd. (Yangzhou [illegible])	[illegible]	Yangzhou	Yangzhou	[illegible]	RMB35,000,000	,	82.00%
110	[illegible] CIMC [illegible] Co. Ltd. ([illegible])	[illegible]	[illegible]	[illegible]	[illegible]	USD20,000,000	50.00%	50.00%
111	Zhangzhou [illegible] Co., LTD (Zhangzhou [illegible])	[illegible]	Zhangzhou	Zhangzhou	[illegible]	RMB43,000,000	,	66.00%
112	CIMC Enric Investment Holdings (Shenzhen) Ltd. (Enric Shenzhen Investment Holding)	[illegible]	Shenzhen	Shenzhen	Investment holding	USD80,000,000	,	70.73%
113	Zhangjiagang CIMC [illegible] Co., Ltd. ([illegible])	[illegible]	Zhangjiagang	Zhangjiagang	[illegible]	RMB30,000,000	,	63.66%

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
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(English Translation for Reference Only)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
						Direct	Indirect

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1)

Notes to the Financial Statements

For the period from 1 January 2017 to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(1) Subsidiaries obtained through establishment or business combination (Continued)

( ) [illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
137	Ch[illegible] R[illegible] Holding Limited (Ch[illegible] R[illegible])	[illegible]	Hong Kong, China	Hong Kong, China	Investment holding	HKD10,000	-	70.73%
138	Ch[illegible] B[illegible] E[illegible] Limited (Ch[illegible] B[illegible])	[illegible]	British Virgin Islands	British Virgin Islands	Investment holding	USD50,000	-	63.33%
139	Sh[illegible] V[illegible] Holding Limited (Sh[illegible] V[illegible])	[illegible]	Hong Kong, China	Hong Kong, China	Investment holding	HKD1	-	100.00%
140	S[illegible] W[illegible] Holding Limited (S[illegible] W[illegible])	[illegible]	British Virgin Islands	British Virgin Islands	Investment holding	USD50,000	-	70.73%
141	G[illegible] R[illegible] Limited (G[illegible] R[illegible])	[illegible]	Hong Kong, China	Hong Kong, China	Investment holding	HKD1	-	100.00%
142	P[illegible] Holding L[illegible]. (P[illegible])	[illegible]	British Virgin Islands	British Virgin Islands	Investment holding	USD10	-	100.00%
143	C[illegible] U.A.	[illegible]	Holland	Holland	Investment holding	EUR75,000,000	-	70.73%
144	[illegible] Holding B.V.	[illegible]	Holland	Holland	Investment holding	EUR90,000	-	70.73%
145	CIMC Financial Leasing (HK) Co., Ltd.	[illegible]	Hong Kong, China	Hong Kong, China	Financial leasing	HKD500,000	-	100.00%
146	CIMC O[illegible] Holding Limited (CIMC O[illegible])	[illegible]	Hong Kong, China	Hong Kong, China	Investment holding	HKD2,234,855,000	-	100.00%
147	C[illegible] CIMC U.A. (COOP)	[illegible]	Holland	Holland	Investment holding	EUR25,500,000	99.00%	1.00%
148	N[illegible] R[illegible] Holding (NSR)	[illegible]	British Virgin Islands	British Virgin Islands	Financing [illegible]	USD6,000	-	91.50%

Name	Category

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
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(English Translation for Reference Only)

Name	Category	Registration Place	Main Pre2istration

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(2) The Group does not have subsidiaries obtained through combination under common control

(3) Subsidiaries acquired through combinations under non-common control

() [illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
1	[illegible] CIMC [illegible] CO., LTD. (LYV)	[illegible]	[illegible]	[illegible]	[illegible]	RMB122,745,700	[illegible]	45.26%
2	[illegible] CIMC [illegible] CO LTD (WHVS)	[illegible]	[illegible], Anh[illegible]	[illegible], Anh[illegible]	[illegible]	RMB161,786,100	[illegible]	45.76%
3	[illegible] (LSDYV)	[illegible]	[illegible], Sh[illegible]ng	[illegible], Sh[illegible]ng	[illegible]	RMB90,000,000	[illegible]	44.39%
4	[illegible] CIMC [illegible] (QDCC)	[illegible]	[illegible], Sh[illegible]ng	[illegible], Sh[illegible]ng	[illegible]	USD27,840,000	[illegible]	100.00%
5	[illegible] CIMC [illegible] (QDCRC)	[illegible]	[illegible], Sh[illegible]ng	[illegible], Sh[illegible]ng	[illegible]	USD86,846,680	[illegible]	100.00%
6	[illegible] CIMC [illegible] (TJCIMC)	[illegible]	[illegible]	[illegible]	[illegible]	USD15,469,300	47.50%	52.50%
7	Sh[illegible]ngh[illegible] CIMC [illegible] (SBWI)	[illegible]	Sh[illegible]ngh[illegible]	Sh[illegible]ngh[illegible]	[illegible]	USD28,500,000	[illegible]	94.74%
8	CIMC [illegible] (Sh[illegible]ng) [illegible] (KGR)	[illegible]	Zh[illegible]ng[illegible], Sh[illegible]ng	Zh[illegible]ng[illegible], Sh[illegible]ng	[illegible]	USD18,930,100	[illegible]	55.10%

Notes to the Financial Statements

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(All … n RMB'000 …)
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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(3) Subsidiaries acquired through combinations under non-common control (Continued)

( ) . , . , , (,)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
17	Shj h ng En G E n C., L. (Shj h ng En)	B n	Shj h ng, H b	Shj h ng, H b	M n ng l	USD32,000,000	–	70.73%
18	En (L ng, ng) En g E n g n C., L. (L ng, ng En)	B n	L ng, ng, H b	L ng, ng, H b	M n ng n l ng En g E n g n	HKD115,000,000	–	70.73%
19	En (B jng) En g hn g C., L. (B jng En)	B n	B jng	B jng	M n ng n l ng En g E n g n	HKD40,000,000	–	70.73%
20	CIMC En (J ngm n) En g E n	B n	J ngm n, H b	J ngm n, H b	S l n g h n n ll h n l n g , h	HKD50,000,000	–	70.73%
21	J ngm n H ng S l , n n ng C., L. (J ngm n H ng)	B n	J ngm n, H b	J ngm n, H b	D l n n , l gh n n ng hn gn, n n n n l	RMB100,000,000	–	56.58%
22	N ngg CIMC W C., L. (NGCIMCW)	B n	N ngg , Anh	N ngg , Anh	P n n , l n b n n h n	RMB9,884,600	–	60.00%
23	Y n CIMC R h L. (YCRO)	B n	Y n , Sh n ng	Y n , Sh n ng	C n ; D gn n, n h ; n , n n h l , n	RMB2,291,190,000	–	97.89%

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VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(3) Subsidiaries acquired through combinations under non-common control (Continued)

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
24	Yantai CIMC Raffles Shipyard Co., Ltd. (YCRS)	[illegible]	Yantai, Shandong	Yantai, Shandong	[illegible]	RMB125,980,000	–	83.47%
25	Haiyang CIMC Raffles Offshore Ltd. (HCRO)	[illegible]	Haiyang, Shandong	Haiyang, Shandong	[illegible]	RMB200,000,000	–	97.89%
26	Longkou CIMC Raffles Offshore Engineering Co., Ltd. (LCRO)	[illegible]	Longkou, Shandong	Longkou, Shandong	[illegible]	RMB290,000,000	–	97.89%
27	[illegible] (SDMV)	[illegible]	Jining, Shandong	Jining, Shandong	[illegible]	RMB66,000,000	–	44.39%
28	[illegible]	[illegible]	Beijing	Beijing	[illegible]	RMB25,000,000	–	38.29%
29	[illegible] (YJFR)	[illegible]	Yangjiang, Guangdong	Yangjiang, Guangdong	[illegible]	RMB10,000,000	–	49.20%
30	Nanjing Yangzi Petrochemical Design & Engineering Co., Ltd. (Yangzi Petrochemical)	[illegible]	Nanjing, Jiangsu	Nanjing, Jiangsu	[illegible]	RMB88,000,000	–	70.73%

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For the six months ended from 1 January to 30 June 2017
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	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%)	
							Direct	Indirect
31	Zhanhua Logistics Group Co., Ltd. (Zhanhua Group)	Business	Tianjin	Tianjin				

Notes to the Financial Statements

F h   x m n h   n   1 J n   n   n   30 J n 2017
(All m n   n RMB'000 nl   h   )
(Engl h T n l n R   n   Onl)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Indirect
40	Zh nh D ngj ng (T njn) C ., L . (Zh nh D ngj ng (T njn))	B s ss n	T njn	T njn	C mm n n l gh n	RMB50,000,000	–	75.00%
41	T njn Zh nh In n n l T B n W h ng (T njn Zh nh T B n)	B s ss n	T njn	T njn	C g n g n s s	RMB5,628,800	–	75.00%
42	B g n S s (Sh nzh n) C ., L . (Sh nzh n B g n)	B s ss n	Sh nzh n, G ng ng	Sh nzh n, G ng ng	P s n n sh s s n l h n l	HKD7,500,000	–	70.00%
43	B g n S s (Sh ngh) C ., L . (Sh ngh B g n)	B s ss n	Sh ngh	Sh ngh	C n sh n s s, h n l , m n n s s	USD513,000	–	70.00%
44	T njn , n K h ng							

(All n n RMB'000)

Name	Category	Registration Place	Main Premises	
				RuiJi Lo.412iTf(Wuhu) Co., Ltd (WHRJL) truck special-use vehicles, engd(ering)]TJ.5 93Td(Re1ET65 2.824Tj0 -MB1,100,000,000(Re12.14
				Manufacture and sale of agricultur0 1vehicles agricultur0 1machd(Td and)TJ. i8.337 1 [r)18(el
				Premi2 Td(Reg/ntitytion.5 931siness scoeSY.4[Wuhu,)37(Anhui)]Jss scoeSY.4[Wuhu,)37(Anhui)]J)(B)T043ss sc Henan,

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(3) Subsidiaries acquired through combinations under non-common control (Continued)

( ) [illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
56	CIMC R[illegible] (CIMC A[illegible])	[illegible]	[illegible]	[illegible]	[illegible]	AUD50,000	[illegible]	63.33%
57	[illegible] (E[illegible])	[illegible]	[illegible]	[illegible]	[illegible]	HKD1,936,838,008 HKD0.01[illegible]	[illegible]	70.73%
58	[illegible] B.V.	[illegible]	[illegible]	[illegible]	[illegible]	EUR841,267	[illegible]	100.00%
59	CIMC ENRIC [illegible] B.V.	[illegible]	[illegible]	[illegible]	[illegible]	EUR20,000,000	[illegible]	70.73%
60	[illegible] B.V.	[illegible]	[illegible]	[illegible]	[illegible]	EUR136,200	[illegible]	70.73%
61	[illegible] B.V.	[illegible]	[illegible]	[illegible]	[illegible]	CIMC A[illegible])		

(All amounts in RMB'000 unless otherwise stated)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(3) Subsidiaries acquired through combinations under non-common control (Continued)

[illegible]

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
68	Burg Service B.V.	Subsidiary	Holland	Holland	Assemble new [illegible] and maintenance	EUR150,000	-	70.73%
69	LAG Trailers N.V.	Subsidiary	Belgium	Belgium	Manufacturing trailers	EUR3,245,000	-	63.33%
70	Ziemann Holvrieka N.V.	Subsidiary	Belgium	Belgium	Production and maintenance	EUR991,600	-	70.79%
71	Immoburg N.V. Bree	Subsidiary	Belgium	Belgium	Production [illegible]	EUR248,000	-	63.33%
72	Ziemann Holvrieka A/S	Subsidiary	Denmark	Denmark	Production and maintenance	DKK1,000,000	-	70.73%
73	Direct Chassis LLC (DCEC)	Subsidiary	USA	USA	Manufacturing [illegible]	USD10,000,000	-	63.33%
74	CIMC TGE Gas Investment SA (TGESA)	Subsidiary	Luxembourg	Luxembourg	Investment holding	EUR50,000	-	60.00%
75	TGE Gas Engineering GmbH (TGE Gas)	Subsidiary	Germany	Germany	Provides EP+CS (Design, Purchase and Construction Supervision) [illegible] LNG, LPG [illegible]	EUR1,000,000	-	60.00%
76	CIMC Raffles Offshore (Singapore) Limited (Raffles)	Subsidiary	Singapore	Singapore	Production of [illegible] jack-up drilling [illegible] semi-submersible drilling Platforms, FPSOs, FSOs	SGD594,416,915 and USD303,122,013	-	100.00%

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English translation for reference only)

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
77	CIMC Raffles Investment Limited	[illegible]	Hong Kong, China	Hong Kong, China	Investment holding	HKD2	-	100.00%
78	CIMC Raffles Singapore Pte. Ltd.	[illegible]	Singapore	Singapore	[illegible]	SGD2	-	100.00%
79	[illegible] Pte. Ltd.	[illegible]	Singapore	Singapore	[illegible]	USD30,000,000	-	100.00%
80	[illegible] International Limited ([illegible])	[illegible]	United Kingdom	United Kingdom	[illegible]	GBP100	-	60.00%
81	[illegible] AB.	[illegible]	Sweden	Sweden	Investment holding	SEK1,000,000	-	100.00%
82	[illegible] Investments Limited ([illegible])	[illegible]	Hong Kong, China	Hong Kong, China	Investment holding	USD1	-	100.00%
83	[illegible] International GmbH ([illegible])	[illegible]	Germany	Germany	Design, [illegible]	EUR16,000,000	-	70.73%
84	[illegible] GmbH ([illegible])	[illegible]	Germany	Germany	Design [illegible]	EUR13,543,000	-	60.00%
85	[illegible] AB ([illegible])	[illegible]	Sweden	Sweden	Design [illegible]	SEK1,000,000	-	90.00%
86	CIMC MBS LIMITED (CML)	[illegible]	United Kingdom	United Kingdom	[illegible]	GBP3,884,303	-	100.00%
87	[illegible] (Hong Kong) Co., Ltd. ([illegible] Hong Kong)	[illegible]	Hong Kong, China	Hong Kong, China	[illegible]	USD6,600,000	-	75.00%

(All amounts in RMB'000 unless otherwise stated)

VI. V6.

	Name	Category	Registration Place	Main Premises	Business scope	Share capital issued and information of bonds	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect
88	CIMC Australia Road Transport Equipment Pty Ltd (CARTE)	Business	Australia	Australia	Investment holding	AUD8,300,000	–	63.33%
89	[illegible] Investment [illegible] Holdings Limited ([illegible] Investment [illegible] Holdings)	Business	Hong Kong, China	Hong Kong, China	Investment holding	HKD10,000,000	–	70.00%
90	[illegible] Limited (Hong Kong [illegible])	Business	Hong Kong, China	Hong Kong, China	[illegible]	HKD5,000,000	–	70.00%
91	Pteris Global Ltd	Business	Singapore	Singapore	Investment holding	SGD322,947,152	–	78.14%
92	[illegible] Investment [illegible] Limited (VIL)	Business	United Kingdom	United Kingdom	Investment holding	GBP1,108	–	100.00%
93	CIMC Development Limited (CDL)	Business	United Kingdom	United Kingdom	[illegible]	GBP1	–	100.00%
94	[illegible] Services [illegible] (VSL)	Business	United Kingdom	United Kingdom	[illegible]	GBP1	–	100.00%
95	[illegible] Group Limited	Business	United Kingdom	United Kingdom	[illegible]	GBP3,385,000	–	70.73%
96	[illegible] Limited	Business	United Kingdom	United Kingdom	[illegible]	692,041 [illegible]	–	63.33%

Notes to the Financial Statements

[illegible] 30 June 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

VI. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Equity in subsidiaries (Continued)

(4) There is no significant partial disposal of subsidiary equity in current period (not losing control).

(5) There is no acquisition of significant minority interests in the current period.

2. Equity in associates and joint ventures

(1) Basic information of major associates and joint ventures

	Main Premises	Registration Place	Nature of business	Strategic for the group or not	Shareholding ratio-Direct	Shareholding ratio-Indirect
Joint ventures –						
NKY [illegible]	Tianjin	Tianjin	[illegible]	No	–	38.25%
Y&C [illegible]	Wuhu, Anhui	Wuhu, Anhui	[illegible]	Yes	–	33.12%
Associates –						
[illegible]	[illegible]	[illegible]	[illegible]	No	–	15.58%
Shanghai [illegible]	Shanghai	Shanghai	[illegible]	Yes	–	40.00%
TSC	Houston(USA)	Cayman Islands	[illegible]	Yes	–	13.42%
[illegible]	Hong Kong	Hong Kong	[illegible]	No	–	30.00%
[illegible]	[illegible]	Cayman Islands	[illegible]	Yes	–	30.00%
[illegible]	Beijing	Beijing	[illegible]	No	–	45.00%

[illegible]

(2) Excess deficit of major associates and joint ventures

[illegible]

VII. EQUITY OF THE STRUCTURED BODY NOT INCLUDED IN THE CONSOLIDATION RANGE OF THE CONSOLIDATED FINANCIAL STATEMENTS

[illegible]

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. The company does not have any holding company.

2. For the information on the subsidiaries of the company, refer to Note VI.1.

3. For the information about the joint ventures and associates of the Company, refer to Note VI.2.

In [illegible] Note VI, [illegible]:

	Main place of business	Registered Address	The nature of the business	The group activity is strategic	Shareholding percentage – direct	Shareholding percentage – indirect
Joint ventures -						
[illegible]	Nanning	Nanning	[illegible]	No	-	50.00%
[illegible]	Tianjin	Tianjin	[illegible]	No	-	38.25%
[illegible]	Qingdao	Qingdao	[illegible]	No	-	35.00%
[illegible]	Shanghai	Shanghai	[illegible]	No	-	35.00%
[illegible]	Tianjin	Tianjin	[illegible]	No	-	35.00%
Associates -						
[illegible]	[illegible]	[illegible]	[illegible]	No	-	35.00%
[illegible]	[illegible]	[illegible]	[illegible]	No	-	16.40%
[illegible]	Fujian	Fujian	[illegible]	No	-	30.00%
[illegible]	Hong Kong	Hong Kong	[illegible]	No	-	20.00%
[illegible]	Shanghai	Shanghai	[illegible]	No	-	15.83%
[illegible]	Zhejiang	Zhejiang	[illegible]	No	-	30.00%
[illegible]	Dalian	Dalian	[illegible]	No	-	30.00%
[illegible]	Tianjin	Tianjin	[illegible]	No	-	39.22%
[illegible] CIMC	[illegible]	[illegible]	[illegible]	No	-	45.00%
[illegible]	Ningbo	Ningbo	[illegible]	No	-	21.00%

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

4. Information of other related parties

Company name	Relationship with the Group
SUMITOMO CORPORATION	Minority shareholder of subsidiary
Shenzhen [illegible]	Minority shareholder of subsidiary
[illegible]	Subsidiary of a significant shareholder
FML	Subsidiary of a significant shareholder
[illegible]	Minority shareholder of subsidiary
[illegible] Co., Ltd.	Minority shareholder of subsidiary
[illegible]	Minority shareholder of subsidiary
China Merchants Shekou Industrial Zone Holdings Co., Ltd.	Subsidiary of a significant shareholder
Florens Container Corporation S.A.	Subsidiary of a significant shareholder
China COSCO Shipping Corporation Limited	Significant shareholder
Florens Container Services Co., Ltd.	Subsidiary of a significant shareholder

Note: Significant shareholder refers to shareholders holding more than 5% (inclusive) of the Company's shares.

Notes to the Financial Statements

F[illegible] 1 J[illegible]n [illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible]h T[illegible] Onl[illegible])

VIII.

N[illegible]			For the Period from Amount	[illegible] 1 J[illegible]n [illegible] 30 J[illegible] 2016 Am[illegible]n
S[illegible]	93,174	38,242		
63,809	66,874			
[illegible]ng [illegible]	20,078	10,352		

(3) Financing

Interest income

Note

Financing received

45,571 19[illegible] 2008 [illegible] 522

Sh[illegible] F 27,215

72,786

Financing provided

503,568 25[illegible]

VIII.

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(Engl[illegible] Onl[illegible])

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

( ) [illegible]

D[illegible] 30 J[illegible] 2017 [illegible]:

Name		Remuneration	Emoluments for other management service of the Company or subsidiaries Salary and allowance	Pension	Bonus	Entry Bonus	Housing allowance	Others	Total
Directors									
W ng H ng		-	-	-	-	-	-	-	-
W ng Y h ng		-	-	-	-	-	-	-	-
M B ng		-	1,350	42	-	-	-	223	1,615
W ng Zh n		-	-	-	-	-	-	-	-
L Ch ng		-	-	-	-	-	-	-	-
P n Ch ng		100	-	-	-	-	-	-	100
W ng G n		100	-	-	-	-	-	-	100
P n Zh ng		100	-	-	-	-	-	-	100
Total		300	1,350	42	-	-	-	223	1,915
Supervisors									
X ng B		-	86	21	-	-	-	6	113
L n L	Note (i)	-	-	-	-	-	-	-	-
Zh ng M ng n		-	-	-	-	-	-	-	-
L Sh ng h	Note (i)	-	-	-	-	-	-	-	-
Total		-	86	21	-	-	-	6	113
Other Senior Executives									
W F		-	661	55	-	-	-	16	732
L Y nh		-	401	54	-	-	-	16	471
L X b n		-	688	55	-	-	-	16	759
Zh ng B ng		-	661	-	-	-	-	-	661
Y Y		-	375	-	-	-	-	-	375
G X ng		-	718	45	-	-	-	11	774
J n J nl ng	Note (i)	-	330	-	-	-	-	-	330
Z ng H n	Note (i)	-	170	22	-	-	-	8	200
Y ng R ng		-	568	48	-	-	-	16	632
Y Y n		-	660	42	-	-	-	16	718
Sub-total		-	5,232	321	-	-	-	99	5,652
Total		300	6,668	384	-	-	-	328	7,680

Note (i): A[illegible] 20 D[illegible] 2016, [illegible] 2016 [illegible] M. L n L [illegible] M. L Sh ng h [illegible] 7).

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

( )

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

VIII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Other related party transactions (Continued)

( ) [illegible]

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

IX. SHARE-BASED PAYMENTS

1. Information about share-based payments

Total amount of equity instruments granted during the period	The total number of share options granted by the Company and Enric: 0 shares.
Total amount of equity instruments exercised during the period	The number of share options exercised by the Company and Enric: 1,776,000 and 1,676,000 shares respectively.
Total amount of equity instruments forfeited during the period	The Company had no forfeited equity instruments, and the number of share options forfeited in Enric was 294,000 shares.
The range of exercise prices of share options outstanding at the end of the period and the remaining contractual life	1. Exercise prices of share options granted by Enric in 2009, 2011 and 2014: HKD4, HKD2.48 and HKD11.24 per share respectively, the remaining contractual life is 2.30, 4.32 and 6.93 years respectively; 2. Exercise prices of share options granted by the Company in 2010 and 2011: RMB10.49 (after adjustment) and RMB16.02 per share respectively (after adjustment), the remaining contractual life is both 3.24 years.
The range of exercise prices of other equity instruments outstanding at the end of the period and the remaining contractual life	Nil

Expenses recognised during the period arising from share-based payments are as follows:

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Equity-settled share-based payment	**9,583**	19,889

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment

(1) Information on equity-settled share-based payment of Enric

[illegible] 11 [illegible] 2009. [illegible] 50% [illegible] 100% [illegible] 43,750,000, [illegible] HKD4 [illegible].

[illegible] 28 [illegible] 2011. [illegible] 40% [illegible], 70% [illegible] 2 [illegible] 100% [illegible] 3 [illegible] 38,200,000, [illegible] HKD2.48 [illegible].

[illegible] 5 [illegible] 2014. [illegible] 40% [illegible], 70% [illegible] 100% [illegible] 38,420,000, [illegible] HKD11.24 [illegible].

[illegible]:

	30 June 2017 '000	31 [illegible] 2016 '000
[illegible]	**83,572**	86,599
[illegible]	**–**	–
[illegible]	**(1,676)**	(1,211)
[illegible]	**(162)**	(1,776)
[illegible]	**(132)**	(40)
[illegible]	**81,602**	83,572

Notes to the Financial Statements

[illegible] 30 June 2017
(All amounts in RMB'000 [illegible])
(English Translation [illegible] Only)

IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment (Continued)

(2) Information on equity-settled share-based payment of the Company

[illegible] 28 September 2010. [illegible] 25% [illegible] 24 months [illegible] 48 months [illegible] 75% [illegible] 48 months [illegible]

(a) [illegible]

(b) [illegible] 6% [illegible] 10% [illegible]

(c) [illegible]

[illegible] 60,000,000, 54,000,000 [illegible] 12.39 [illegible] 6,000,000 [illegible]

[illegible] 0.35 [illegible], 0.46 [illegible], 0.23 [illegible], 0.27, 0.31 [illegible], 0.22 [illegible] 0.06 [illegible] 31 May 2011, 21 June 2012, 28 June 2013, 27 June 2014, 29 July 2015, 20 July 2016 and 20 July 2017 [illegible] 2010, 2011, 2012, 2013, 2014, 2015 and 2016, [illegible] 54,000,000 [illegible] 28 September 2010. [illegible] 10.49 [illegible].

[illegible] 22 September 2011, [illegible] 6,000,000 [illegible] 28 September 2010 [illegible] 17.57 [illegible] 2011, 2012, 2013, 2014, 2015 and 2016 [illegible] 0.46, 0.23, 0.27, 0.31, 0.22 and 0.06 [illegible] 16.02 [illegible].

Notes to the Financial Statements

For the six months ended 30 June 2017
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IX. SHARE-BASED PAYMENTS (CONTINUED)

2. Information on equity-settled share-based payment (Continued)

(2) Information on equity-settled share-based payment of the Company (Continued)

M[illegible] of the Company:

	30 June 2017 '000	31 December 2016 '000
Beginning balance	**25,229**	25,986
[illegible] current period	**(1,776)**	(757)
C[illegible] current period	**–**	–
F[illegible] current period	**–**	–
Ending balance	**23,453**	25,229

(3) Basis of the best estimate of the number of equity instruments expected to vest is as follows:

[illegible]

[illegible]

As at 30 June 2017, [illegible] equity-settled share-based payments	**414,679**
T[illegible] equity-settled share-based payments [illegible] including:	
– [illegible] the Company	**–**
– [illegible]	**9,583**
	9,583

Notes to the Financial Statements

X. CONTINGENCIES (CONTINUED)

3. Notes payable issued but not accounted for, outstanding letter of credit issued but undue and outstanding performance guarantees

The G[illegible] C[illegible] [illegible] A[illegible] 30 J[illegible] 2017, [illegible] RMB330,227,000 [illegible] RMB88,443,000, [illegible] RMB418,670,000 (31 [illegible] 2016: RMB1,143,013,000).

A[illegible] 30 J[illegible] 2017, [illegible] C[illegible] RMB915,000,000 [illegible] USD20,000,000 ([illegible] RMB135,501,000) [illegible] RMB1,050,501,000.

A[illegible] 30 J[illegible] 2017, CIMC R[illegible] USD53,753,000 ([illegible] RMB364,183,000), [illegible] USD32,000,000 ([illegible] RMB216,802,000), USD21,753,000 ([illegible] RMB147,381,000) [illegible] (31 [illegible] 2016: RMB905,730,000).

A[illegible] 30 J[illegible] 2017, CIMC E[illegible] RMB698,752,000 [illegible] RMB342,096,000, [illegible] RMB356,656,000 (31 [illegible] 2016: RMB779,018,000,).

A[illegible] 30 J[illegible] 2017, TLC, [illegible] USD115,000 ([illegible] RMB799, 000). (31 [illegible] 2016: RMB2, 844,000).

A[illegible] 30 J[illegible] 2017, QDCRC, [illegible] RMB32,537,000 (31 [illegible] 2016: RMB10,478,000).

A[illegible] 30 J[illegible] 2017, TAS [illegible] 684,748,000, [illegible] RMB375,133,000, RMB20,540,000, RMB32,669,000 [illegible] RMB256,406,000 [illegible] (31 [illegible] 2016: RMB682,818,000).

A[illegible] 30 J[illegible] 2017, CIMC F[illegible] C[illegible] RMB23,493,000, RMB1,593,000, RMB5,600,000 [illegible] RMB9,000,000 [illegible] RMB39,916,000 (31 [illegible] 2016: RMB28,396,000).

A[illegible] 30 J[illegible] 2017, Z[illegible] L[illegible] G[illegible] RMB12,970,000 (31 [illegible] 2016: RMB42,125,000).

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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X. CONTINGENCIES (CONTINUED)

3. Notes payable issued but not accounted for, outstanding letter of credit issued but undue and outstanding performance guarantees (Continued)

Notes to the Financial Statements

For the Period from 1 January to 30 June 2017
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Notes to the Financial Statements

F [illegible] 1 J n [illegible] 30 J [illegible] 2017
(All [illegible] n RMB'000 [illegible])
(Engl [illegible] h T [illegible] Onl)

XII. EVENTS AFTER THE BALANCE SHEET DATE

1. On 5 J [illegible] 2017, EIHL (Sh [illegible] n [illegible]) [illegible] SOE [illegible] SOE B [illegible] L [illegible] (南通太平洋破產清算組) [illegible] SOE [illegible] SOE. On 4 A [illegible] 2017, [illegible] SOE [illegible] ng Pl [illegible] SOE [illegible]. On 16 A [illegible] 2017, SOE [illegible] CIMC En [illegible] G [illegible]. SOE [illegible] 南通中集太平洋海洋工程有限公司 (N [illegible] ng CIMC S [illegible] O [illegible] & Eng [illegible] ng C [illegible], L [illegible]). F [illegible] 6 J [illegible] 2017, 4 A [illegible] 2017 [illegible] 16 A [illegible] 2017 [illegible] n Ch n [illegible] J [illegible] l, Sh ngh [illegible] T [illegible], C [illegible] n [illegible] (N [illegible] N [illegible]: [CIMC]2017-036, [CIMC]2017-047 [illegible] [CIMC]2017-054) [illegible] H [illegible] ng K [illegible] ng S [illegible] E [illegible] h ng ([illegible] .h).

2. On 17 J [illegible] 2017, CIMC S [illegible] R [illegible] l E [illegible] CGRE [illegible] CGRE [illegible] RMB926,322,300 [illegible] CIMC S [illegible] R [illegible] l E [illegible] 25% [illegible] C [illegible] 61.5% [illegible] n CIMC S [illegible] R [illegible] l E [illegible] h [illegible] gh CIMC Sh [illegible] 17 J [illegible] 2017 [illegible] n Ch n [illegible] J [illegible] l, Sh ngh [illegible] T [illegible], C [illegible] n [illegible] h ng ([illegible] 1g .h).

XIII. SEGMENT REPORTING

[illegible]

1. Segment profits, losses, assets and liabilities

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIII. SEGMENT REPORTING (CONTINUED)

1. Segment profits, losses, assets and liabilities (Continued)

Road 9TJ-4.826 -1.667 Td[tran)0.5(sportatio)0.5(n 9TJ3.23 -1.667 Td[vehic)0.5(le79TJ0.029 Tw 7.861 5 Td[Ena))0.5(gy an)0.5(d 9TJ-0.426 -1.667 Td[chem)0.5(istry & 9TJ-0.02 Tw 3.85 -1.667 Td[food)0.5(9TJ-3.188 -1.667 Td[equi)0.5(pment9TJ

Containa

XIII. SEGMENT REPORTING (CONTINUED)

1. Segment profits, losses, assets and liabilities (Continued)

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

For the six months from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIII. SEGMENT REPORTING (CONTINUED)

2. Geographic information

The following table [illegible] information [illegible] the Group's [illegible] and the Group's [illegible] (excluding [illegible]). The geographical [illegible] based on [illegible]. The geographical [illegible] based on the [illegible]

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

1. Credit risk

[illegible]

[illegible]

[illegible]

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk

[illegible]

[illegible] 30 J[illegible] [illegible] 0.02QBT/18435 2 41671 1817 T[illegible]3 l0.18 240.

[illegible] **28,068,602** –

Notes to the Financial Statements

For the six months ended 30 June 2017
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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

2. Liquidity risk (Continued)

	31 December 2016 Undiscounted contractual cash flows					
	Within 1 year or on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount in balance sheet
Financial assets						
Cash at bank and on hand	6,325,998	–	–	–	6,325,998	6,325,998
Financial assets at fair value through profit or loss	141,160	–	325,187	–	466,347	466,347
Accounts receivable and other receivables	24,619,828	–	–	–	24,619,828	24,619,828
Current portion of non-current assets	5,513,253	–	–	–	5,513,253	3,941,689
Available-for-sale financial assets	–	–	36,803	412,240	449,043	442,726
Interest receivable	9,250	–	–	–	9,250	9,250
Dividends receivable	41,959	–	–	–	41,959	41,959
Long-term receivables	–	3,997,923	5,268,322	12,907,684	22,173,929	13,220,242
Sub-total	36,651,448	3,997,923	5,630,312	13,319,924	59,599,607	49,068,039
Financial liabilities						
Financial liabilities at fair value through profit or loss	199,225	–	3,816	–	203,041	203,041
Short-term borrowings	15,729,787	–	–	–	15,729,787	15,729,787
Notes payable	1,551,582	–	–	–	1,551,582	1,551,582
Debentures payable	189,000	189,000	8,175,500	–	8,553,500	7,986,500
Accounts payable and other payables	15,315,024	–	–	–	15,315,024	15,315,024
Interest payable	303,375	–	–	–	303,375	303,375
Dividends payable	16,746	–	–	–	16,746	16,746
Current portion of non-current liabilities	3,667,872	–	–	–	3,667,872	3,667,872
Other current liabilities	1,666,966	–	–	–	1,666,966	1,687,762
Long-term borrowings	1,056,608	10,819,611	16,387,132	3,464,214	31,727,565	27,023,222
Long-term payables	–	520,988	4,767	23,220	548,975	529,372
Other non-current liabilities	314,210	314,210	314,210	1,685,812	2,628,442	2,037,458
Sub-total	40,010,395	11,843,809	24,885,425	5,173,246	81,912,875	76,051,741
Net total	(3,358,947)	(7,845,886)	(19,255,113)	8,146,678	(22,313,268)	(26,983,702)

Bank and other borrowings are analysed by maturity as follows:

	30 June 2017		31 December 2016	
	Bank borrowings	Other borrowings	Bank borrowings	Other borrowings
Within 1 year	**23,546,054**	**–**	19,255,497	–
1 to 2 years	**4,773,878**	**–**	9,763,003	–
2 to 5 years	**15,472,650**	**–**	14,362,508	–
Over 5 years	**2,709,669**	**–**	2,897,711	–
	46,502,251	**–**	46,278,719	–

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk

[illegible]

(1) As at 30 June 2017, the Group held the following interest-bearing financial instruments:

	30 June 2017		31 December 2016	
	Interest rate (%)	**Amount**	Interest rate (%)	Amount
Fixed rate interest-bearing financial instruments				
Financial asset				
- Long-term receivables	**2.58%-17.53%**	**13,499,327**	2.58%-17.53%	13,220,242
- Current portion of non-current assets	**2.58%-17.53%**	**4,118,028**	2.58%-17.53%	3,941,689
Financial liabilities				
- Short-term borrowings	**1.30%~6.09%**	**8,103,587**	0.65%-16.41%	6,280,953
- Debentures payable	**3.07%-3.89%**	**7,986,500**	3.07%-3.89%	7,986,500
- Current portion of non-current liabilities	**2.38%~3.35%**	**995,408**	2.65%-2.90%	800,000
- Long-term borrowings	**1.20%~6.37%**	**1,936,946**	1.45%-6.37%	1,043,007
- Other current liabilities	**0.01%-1.00%**	**2,583,959**	0.01%-1.00%	1,666,966
- Other non-current liabilities	**4.99%-12.00%**	**2,037,458**	4.99%-12.00%	2,037,458
Total		**(6,026,503)**		(2,652,953)

	30 June 2017		31 December 2016	
	Interest rate (%)	**Amount**	Interest rate (%)	Amount
Floating rate interest-bearing financial instruments				
Financial asset				
- Cash at bank and on hand	**0.30%-2.75%**	**5,737,102**	0.30%-2.75%	6,325,998
Financial liabilities				
- Current portion of long-term borrowings	**3M Libor+165bps~ 3MLibor+240bps**	**3,896,006**	1.15%+1M Libor~ 3M Libor+240bps	2,725,710
- Long-term borrowings	**1.15%+1M Libor~ 6M Libor+195bps**	**21,728,143**	1.15%+1M Libor~ 6M Libor+310bps	25,980,215
- Short-term borrowings	**1M Libor+150bps~ 6M Libor+70bps**	**9,842,161**	1M Libor+180bps~ 6M Libor+230bps	9,448,834
- Long-term payables	**8.02%~12.86%**	**504,909**	8.02%~12.86%	529,372
- Current portion of long-term payables	**8.02%~12.86%**	**124,087**	8.02%~12.86%	138,312
Total		**(30,358,204)**		(32,496,445)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

3. Interest rate risk (Continued)

(2) Sensitivity analysis

[illegible]

[illegible]

4. Foreign exchange risk

[illegible]

(1) [illegible]

	30 June 2017			
	USD	EUR	HKD	JPY

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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

(2) The following are the exchange rates for RMB against foreign currencies applied by the Group and the Company:

	Average exchange rate		Benchmark average exchange rate	
	For the Period from 1 January to 30 June 2017	For the period from 1 January to 30 June 2016	**30 June 2017**	31 December 2016
USD	**6.8871**	6.5359	**6.7744**	6.6312
EUR	**7.4349**	7.2993	**7.7496**	7.3750
HKD	**0.8857**	0.8418	**0.8679**	0.8547
JPY	**0.0616**	0.0590	**0.0605**	0.0645

(3) Sensitivity analysis

Assuming all other risk variables remained constant, a 2.80%, 2.80%, 2.70% and 1.90% strengthening of the RMB against the USD, EUR, HKD and JPY respectively at 30 June 2017 (2.80%, 2.80%, 2.70% and 1.90% strengthening of the RMB against the USD, EUR, HKD, and JPY respectively at 31 December 2016) would have increased/(decreased) the Group's equity and net profit by the amount shown below, whose effect is in RMB and translated using the spot rate at the balance sheet date:

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

4. Foreign exchange risk (Continued)

(3) Sensitivity analysis (Continued)

Th[illegible] G[illegible] G[illegible]. Th[illegible].

Th[illegible] J[illegible] N[illegible] IV.2 [illegible] IV.26 [illegible].

5. Other price risks

O[illegible]. A[illegible] 30 J[illegible] 2017, [illegible] G[illegible] 40,414,000 [illegible] Q[illegible]ng [illegible] P[illegible] C[illegible]., L[illegible]., 2,996,500 [illegible] S[illegible] Sh[illegible]ng L[illegible].

A[illegible] 30 J[illegible] 2017, [illegible] 5.00% (31 D[illegible] 2016: 5.00%), [illegible] G[illegible] 9,158,000 (31 D[illegible] 2016: 6,651,000).

Th[illegible] G[illegible]. Th[illegible].

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
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XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates

The level in which the fair value measurement is categorised is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement. The levels of inputs are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

(1) Assets measured at fair value on a recurring basis

The following table presents the Group's assets and liabilities measured at fair value at 30 June 2017:

Assets	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at fair value through profit or loss					
Investments in equity instruments held for trading	IV.2	180,357	–	–	180,357
Derivative financial assets	IV.2	–	251,402	–	251,402
Hedging instruments	IV.2	–	4,392	–	4,392
Available-for-sale financial assets	IV.11	1,761	51,086	–	52,847
Financial assets total		182,118	306,880	–	488,998
Non-financial assets					
Investment properties	IV.14	–	–	1,722,065	1,722,065
Total		182,118	306,880	1,722,065	2,211,063

Liabilities	Note	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	IV.26	–	(6,359)	–	(6,359)
Hedging Instrument	IV.26	–	(186)	–	(186)
Financial guarantee contracts	IV.26	–	–	(55,980)	(55,980)
Contingent considerations	IV.26	–	–	(129,965)	(129,965)
Total		–	(6,545)	(185,945)	(192,490)

(All amounts in RMB'000 unless otherwise stated)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2016:

Assets	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at fair value through profit or loss					
Investments in equity instruments held for trading	IV.2	138,072	–	–	138,072
Derivative financial assets	IV.2	–	326,969	–	326,969
Hedging instruments	IV.2	–	1,306	–	1,306
Available-for-sale financial assets	IV.11	2,441	30,803	–	33,244
Financial assets total		140,513	359,078	–	499,591
Non-financial assets					
Investment properties	IV.14	–	–	1,752,608	1,752,608
Total		140,513	359,078	1,752,608	2,252,199

Liabilities	Note	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	IV.26	–	(15,838)	–	(15,838)
Hedging instruments	IV.26	–	(4,244)	–	(4,244)
Financial guarantee contracts	IV.26	–	–	(57,419)	(57,419)
Contingent consideration	IV.26	–	–	(125,540)	(125,540)
Total		–	(20,082)	(182,959)	(203,041)

The Group [illegible] transfers between levels [illegible]. During the year ended 31 December 2016, there were no transfers between Level 1 and Level 2 and into Level 2 or Level 3.

For [illegible] financial instruments, [illegible]. In [illegible], EBITDA multiple, [illegible].

Notes to the Financial Statements

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(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

The Group has [illegible]. [illegible].

The following table presents the movements of the non-financial assets in Level 3:

	Investment properties
1 January 2017	**1,752,608**
Purchases	**–**
Transfers [illegible]	**1,287**
Transfers [illegible]	**–**
Total gains [illegible]	**–**
Gains recognised in profit or loss	**–**
Gains/(losses) recognised in other comprehensive income	**–**
Transfers [illegible]	**(35,389)**
Exchange [illegible]	**3,559**
30 June 2017	**1,722,065**
1 January 2016	730,168
Purchases	78,176
Transfers [illegible]	310,039
Transfers [illegible]	(26,401)
Total gains [illegible]	660,626
Gains recognised in profit or loss	75,792
Gains/(losses) recognised in other comprehensive income	584,834
31 December 2016	1,752,608

[illegible]

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

[illegible] 3:

	Fair value as at 30 June 2017	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] / Un[illegible]
[illegible]	**1,126,654**		[illegible]	6%-8%		
[illegible]		[illegible]	[illegible] (RMB/[illegible])	7-95	( )	Un[illegible]
		[illegible]	[illegible] (RMB/[illegible])	650-4,600		
			[illegible]	9%-12%	( )	Un[illegible]
[illegible]	**595,411**	[illegible]	[illegible] (RMB/[illegible]			

Notes to the Financial Statements

[illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(1) Assets measured at fair value on a recurring basis (Continued)

	[illegible] 31 December 2016	[illegible]	Significant unobservable inputs: Name	[illegible]	[illegible]	Observable/Unobservable
[illegible]	1,139,285		[illegible]	6%-8%		
[illegible]		[illegible]	[illegible] (RMB/[illegible])	7-95	( )	Unobservable
		[illegible]	[illegible]			
			(RMB/[illegible])	650-4,600		
			[illegible]	9%-12%	( )	Unobservable
[illegible]	613,323	[illegible]	[illegible] (RMB/[illegible])	450-2200	( )	Unobservable

(2) Assets measured at fair value on a non-recurring basis

[illegible] 30 J[illegible] 2017, [illegible] RMB26,401,000, [illegible] RMB92,269,000 [illegible] RMB85,177,000, [illegible] (N[illegible] IV.8). [illegible] (RMB26,401,000, RMB115,743,000 [illegible] RMB97,563,000), [illegible]

(3) Assets and liabilities not measured at fair value but for which the fair value is disclosed

[illegible]

[illegible] 30 J[illegible] 2017, [illegible]

[illegible]

XIV. FINANCIAL RISK AND FAIR VALUES ESTIMATES (CONTINUED)

6. Fair value estimates (Continued)

(4) Estimation and assumption of fair values

Notes to the Financial Statements

[illegible] 30 J[illegible] 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

XV. CAPITAL MANAGEMENT

[illegible]

[illegible]

[illegible]

[illegible]

In 2017, [illegible] 70% (2016: [illegible]

Notes to the Financial Statements

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XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Dividends receivable

	30 June 2017	31 December 2016
CIMC Hong Kong	3,333,084	3,435,198
SCIMC	592,706	592,706
SCIMCEL	462,372	462,372
SCRC	216,000	–
TJCIMCLE	48,915	48,915
SCIMCEL	19,263	19,263
Modern Logistics	29,146	29,146
CIMC Wood	–	874
CIMCVL	–	149,577
QDSV	2,468	17,356
Tianjin Kangge Logistics Equipment Co., Ltd.	411	411
	4,704,365	4,755,818

3. Other receivables

(1) Other receivables are analysed by categories of customers as follows:

	30 June 2017	31 December 2016
Amounts due from subsidiaries	12,940,182	13,109,464
Deposits and margin	14,739	15,711
Others	18,233	10,821
Subtotal	12,973,154	13,135,996
Less: Provision for bad debts	(4,580)	(4,580)
Total	12,968,574	13,131,416

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XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(2) Other receivables are analysed by aging as follows:

Aging	30 June 2017	31 December 2016
Within 1 year (inclusive)	**9,525,395**	9,642,304
1 to 2 years (inclusive)	**1,528,555**	1,530,022
2 to 3 years (inclusive)	**587,541**	574,631
Over 3 years	**1,331,663**	1,389,039
Sub-total	**12,973,154**	13,135,996
Less: Provision for bad debts	**(4,580)**	(4,580)
Total	**12,968,574**	13,131,416

The ageing is counted starting from the date when other receivables are recognised.

As at 30 June 2017 and 31 December 2016, the Company had no other receivables which were past due but not impaired.

(3) Other receivables are analysed by categories as follows:

		30 June 2017				31 December 2016			
	Note	Ending balance		Provision for doubtful debts		Ending balance		Provision for doubtful debts	
		Amount	% of total balance	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance
Other receivables [illegible]	(4)	**12,873,563**	**99.23%**	**–**	**–**	13,066,919	99.47%	–	–
Other receivables [illegible]	(5)	**99,591**	**0.77%**	**4,580**	**4.60%**	69,077	0.53%	4,580	6.63%
Total		**12,973,154**	**100.00%**	**4,580**	**0.04%**	13,135,996	100.00%	4,580	0.03%

[illegible]

(All amounts in RMB'000 unless otherwise stated)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(4) Other receivables with amounts that are individually significant and that the related provision for doubtful debts is provided on the individual basis

As at 30 June 2017 and 31 December 2016, the Company had no other receivables with amounts that are individually significant and that the related provision for doubtful debts is provided on the individual basis.

(5) Other receivables with amounts that are not individually significant but that the related provision for doubtful debts is provided on the individual basis

As at 30 June 2017 and 31 December 2016, the Company had no other receivables with amounts that are not individually significant but that the related provision for doubtful debts is provided on the individual basis.

(6) Other receivables that the related provision for bad debts is provided on grouping basis using the ageing analysis method are analysed as follows:

	30 June 2017	31 December 2016

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XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(9) As at 30 June 2017, the five largest other receivables are analysed as follows:

	Nature	Amount	Aging	% of total balance	Provision for doubtful debts
CIMC Hong Kong	Current accounts, Dividends	3,612,395	Within 1 year	27.85%	-
C&C Trucks	Current accounts	1,421,641	Within 1 year, 1 to 2 years, 2 to 3 years	10.96%	-
Hong [illegible]	Current accounts	1,098,758	Within 1 year	8.47%	-
CIMCVL [illegible]	Current accounts	849,639	Within 1 year	6.55%	-
Tianjin Hong [illegible]	Current accounts	591,447	Within 1 year	4.56%	-
		7,573,880		58.39%	-

The Company's five largest other receivables as at 31 December 2016 amounted to RMB7,609,722,000 and accounting for 57.93% of the total other receivables.

(10) Other receivables from shareholders holding more than 5% (including 5%) of the voting rights of the Company are analysed as follows

As at 30 June 2017, no amount from shareholders holding more than 5% (including 5%) of the voting rights of the Company is included in the above balance of other receivables.

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Other receivables (Continued)

(11) Other receivables from related parties

	Relationship with the Company	Amount	% of total balance

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XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Available-for-sale financial assets (Continued)

(1) Related information analysis of available-for-sale financial assets is as follows:

A. Available-for-sale financial assets measured at cost:

	31 December 2016	Increase in the period	Decrease in the period	**30 June 2017**	Shareholding (%)	Cash dividend
A. Available-for-sale equity instruments:						
- Cost						
- BOCM Schroders Fund Management	8,125	-	-	**8,125**	5.00%	-

(All amounts in RMB'000 unless otherwise stated)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

5. Long-term equity investments (Continued)

(2) Subsidiaries:

Investee	31 December 2016	Current year movement	30 June 2017	Shareholding (%)	Voting rights (%)	Provision for impairment	Impairment provision charged in the year	Cash dividend declared
Cost method – Investment in subsidiaries								
SCIMC	110,831	–	**110,831**	100%	100%	–	–	–
XHCIMC	36,500	–	**36,500**	100%	100%	–	–	–
TJCIMC	77,704	–	**77,704**	100%	100%	–	–	–
DLCIMC	48,764	–	**48,764**	100%	100%	–	–	–
TCCIMC	131,654	(40,230)	**91,424**	100%	100%	–	–	33,642
CQVL	39,499	–	**39,499**	100%	100%	–	–	–
SCRC	200,892	–	**200,892**	92%	92%	–	–	216,000
XHCIMCS	82,026	–	**82,026**	100%	100%	–	–	–
CIMC Hong Kong	1,690	–	**1,690**	100%	100%	–	–	–
CIMC SD	162,686	–	**162,686**	100%	100%	–	–	–
HI	606,912	–	**606,912**	80%	80%	–	–	98,789
CIMC[illegible]h	41,526	–	**41,526**	100%	100%	–	–	–
CIMCWD	54,817	–	**54,817**	100%	100%	–	–	–
CIMC T[illegible]n ng	48,102	–	**48,102**	100%	100%	–	–	–
DLZH	182,136	–	**182,136**	100%	100%	–	–	–
MEA	111,703	–	**111,703**	100%	100%	–	–	–
CIMC W[illegible]	3,472	–	**3,472**	100%	100%	–	–	–

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XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

5. Long-term equity investments (Continued)

(2) Subsidiaries: (Continued)

Investee	31 December 2016	Current year increase	30 June 2017	Shareholding (%)	Voting rights (%)	Provision for impairment	Impairment provision for the current year	Cash dividends declared
SZ Investment Holding	72,401	–	**72,401**	100%	100%	–	–	–
F[illegible] Company	482,590	–	**482,590**	100%	100%	–	–	–
CIMCVL	422,363	–	**422,363**	100%	100%	–	–	–
QDSV	26,912	–	**26,912**	80%	80%	–	–	–
SHOE	40,000	–	**40,000**	100%	100%	–	–	–
SZ Investment	140,000	–	**140,000**	100%	100%	–	–	–
SESKYC	90,000	–	**90,000**	100%	100%	–	–	–
DLCIMCS	69,806	–	**69,806**	100%	100%	–	–	–
C[illegible] Holding	4,104,227	–	**4,104,227**	100%	100%	–	–	–
COOP	205,022	–	**205,022**	99%	99%	–	–	–
CIMC Modern Logistics Development Co., Ltd.	803,904	–	**803,904**	100%	100%	–	–	–
C&C Trucks	898,977	81,616	**980,593**	70%	70%	–	–	–
Offshore Holdings	35,000	–	**35,000**	100%	100%	–	–	–
[illegible] Holding Company	13,160	–	**13,160**	100%	100%	–	–	–
G[illegible] Property Investment Company	30,000	–	**30,000**	100%	100%	–	–	–
T[illegible] Special Equipment	–	73,873	**73,873**	100%	100%	–	–	–
Sub-total	9,375,276	115,259	**9,490,535**			–	–	348,431

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6.

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Interest payable

	30 June 2017	31 December 2016
[illegible]	**218,242**	70,249
[illegible]	**5,957**	3,522
[illegible]	**1,365**	1,984
Total	**225,564**	75,755

10. Other payable

(1) The analysis of the Company's other payables is as follows:

	30 June 2017	31 December 2016
[illegible]	**2,162,672**	2,948,279
[illegible]	**10,459**	16,735
[illegible]	**429**	429
[illegible]	**–**	7,592
Others	**11,962**	17,769
Total	**2,185,522**	2,990,804

(2) Significant other payables aged over one year

(All amounts in RMB'000 unless otherwise stated)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

11. Current portion of non-current liabilities

(1) The analysis of the Company's current portion of non-current liabilities by categories is as follows:

	Note	30 June 2017	31 December 2016
Current portion of long-term borrowings – Unsecured	(2)	**995,000**	800,000

(2) As at 30 June 2017, there were no overdue long-term borrowings of which the durations are extended (31 December 2016: Nil).

12. Long-term borrowings

(1) The analysis of the Company's long-term loans is as follows:

	30 June 2017	31 December 2016

Notes to the Financial Statements

For the six months ended 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

14. Deferred tax assets and deferred tax liabilities

(1) The offsetting balances of deferred tax assets and liabilities offset and corresponding deductible or taxable temporary differences

	30 June 2017		31 December 2016	
	Deductible/ (taxable) Temporary differences	**Deferred tax assets/ (liabilities)**	Deductible/ (taxable) Temporary differences	Deferred tax assets/ (liabilities)
Deferred tax assets:				
Employee benefits payable	**196,808**	**49,202**	205,760	51,440
Movement in fair value of financial assets at fair value through profit or loss	**1,738**	**434**	3,360	840
Subtotal	**198,546**	**49,636**	209,120	52,280
Offsetting amount	**–**	**–**	–	–
Offsetting balances	**198,546**	**49,636**	209,120	52,280
Including:				
Amount expected to be recovered within 1 year (inclusive)		**49,636**		52,280

Notes to the Financial Statements

For the six months period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XVI. NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

15. Capital surplus

	31 December 2016	Increase in current period	Decrease in current period	**30 June 2017**
Share premium	3,601,855	29,311	–	**3,631,166**
Other capital surplus:				
- Exchange gains on foreign currency capital	687	–	–	**687**
- Donations from shareholders	87	–	–	**87**
- Equity-settled share-based compensation	253,012	–	(12,104)	**240,908**
Others	(568,492)	–	–	**(568,492)**
Total	3,287,149	29,311	(12,104)	**3,304,356**

	1 January 2016	Increase in the year	Decrease in the year	31 December 2016
Share premium	3,589,082	12,773	–	3,601,855
Other capital surplus:				
- Exchange gains on foreign currency capital	687	–	–	687
- Donations from shareholders	87	–	–	87
- Equity-settled share-based compensation	258,211	–	(5,199)	253,012
Others	(568,492)	–	–	(568,492)
Total	3,279,575	12,773	(5,199)	3,287,149

Notes to the Financial Statements

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

XVI.

XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

18. Profit/(loss) from changes in fair value

Notes to the Financial Statements

[illegible] 30 June 2017
(All [illegible] RMB'000 [illegible])
(English [illegible] Only)

XVI.NOTES TO THE HOLDING COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

22. Non-operating expenses

	For the period from 1 January to 30 June 2017	[illegible] 30 June 2016
[illegible]	**396**	[illegible]
[illegible]	**586**	1
[illegible]	**764**	248
[illegible]	**1,746**	249

23. Income tax expenses

	For the period from 1 January to 30 June 2017	[illegible] 30 June 2016
[illegible]	**2,644**	27,968

[illegible]

	For the period from 1 January to 30 June 2017	[illegible] 30 June 2016
[illegible]	**31,304**	153,333
[illegible]	**7,826**	38,333
[illegible]	**803**	1,878
[illegible]	**82,123**	17,498
[illegible]	**(88,108)**	(29,741)
[illegible]	**2,644**	27,968

Supplementary Information

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

I. STATEMENT OF NON-RECURRING PROFIT OR LOSS

	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016
Profit/(loss) on disposal of non-current assets	**13,739**	(3,332)
Government grants recognised in profit or loss for the current period	**91,032**	135,375
[illegible]	**–**	–
[illegible]	**(20,332)**	12,264
[illegible]	**–**	–
[illegible]	**(25,460)**	23,712
[illegible]	**–**	–
Other non-operating income and expenses other than the above items	**38,201**	21,101
[illegible]	**(105,549)**	–
Sub-total	**(8,369)**	189,120
Effect of income tax	**(30,200)**	(30,604)
Effect of minority interests (after tax)	**(29,616)**	(34,350)
Total	**(68,185)**	124,166

Note: [illegible]

Basis for preparation of statement of non-recurring profit or loss

Under the requirements in Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Profit or Loss [2008] of the CSRC, non-recurring profit or loss refers to those arising from transactions and events that are not directly relevant to ordinary activities, or that are relevant to ordinary activities, but are extraordinary and not expected to recur frequently that would have an influence on users of financial statements making proper judgements on the performance and profitability of an enterprise.

Supplementary Information

For the period from 1 January to 30 June 2017
(All amounts in RMB'000 unless otherwise stated)
(English Translation for Reference Only)

II. RETURN ON NET ASSETS AND EARNINGS PER SHARE

In accordance with the Interim Provisions on Preparation and Reporting Rules on Information Disclosure by Companies Offering Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings Per Share (2010 revised) and relevant accounting standards, the weighted average return on net assets and earnings per share of the Company are as follows:

	Weighted average return on net assets(%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	For the Period from 1 January to 30 June 2017	For the Period from 1 January to 30 June 2016	**For the Period from 1 January to 30 June 2017**	For the Period from 1 January to 30 June 2016	**For the Period from 1 January to 30 June 2017**	For the Period from 1 January to 30 June 2016

Chapter X Documents Available for Inspection

I. [illegible] 2017 [illegible].

II. [illegible] 30 J[illegible] 2017 [illegible] CASBE [illegible]

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Nanshan Distri